



NOTICE OF MEETING OF THE BOARD OF DIRECTORS Notice is hereby given that a meeting of the Board of Directors of IDEA Public Schools will be held on March 24, 2022. The Board will convene in Open Session at 5:00 pm (EST). The Board meeting will be held via conference call pursuant to the rules adopted by the Administration Commission under s. e120.54(5). Such meeting is a regular meeting.

Members of the public may submit comments on any agenda item(s) being considered by the Board or may request to address the board by submitting a request to [Jennifer.White@ideapublicschools.org](mailto:Jennifer.White@ideapublicschools.org). Requests should be submitted no later than 4pm (EST) of the day of the board meeting.

IDEA Florida

Board Meeting Agenda

March 24, 2022

Lizzette Gonzalez-Reynolds, Chair  
Nick Rhodes, Secretary  
Gary Chartrand, Director  
Christina Barker, Director

Meeting URL: [Login](#) or call in at (689)-223-2878: Code: 187 575 213#

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Call to Order: 5:00 pm EST

Welcome: Nick Rhodes (on behalf of Board Chair)

**1. Updates**

- A. National Updates
- B. Regional Updates

**2. Approval of Minutes from February 24, 2022, business meeting**

**3. Action Items**

- A. Board ratification of amended Lease Agreement that includes an additional portable classroom at IDEA River Bluff
- B. Board approval of Lease Agreement between IDEA Florida, Inc. and IPS Enterprises, Inc. for Property in Tampa, Florida
- C. Board approval of notice of intent and draft Performance Based Agreement for Jacksonville Campus #4
- D. Board approval of the proposed additions made to the IDEA FL grading policy
- E. Board approval of amended contract with US Foods
- F. Board approval of affiliate agreement with Jacksonville University
- G. Board approval of contract with Netsync
- H. Board approval of contract with Spectrum
- I. Board approval of resolution for Bank Account Signature Authority
- J. Board approval of advance of funds for procurement of furniture, technology, and textbooks

**4. Consent Agenda**

**5. Public Comment**

6. Member Comments
7. Adjourn

IDEA Public Schools  
**Florida Board of Directors Meeting**  
February 24, 2022  
5:00 pm EST

**Summary of Motions and Approvals**

The Board passed a motion to the addition of the contract with Daigle Creative to today's agenda.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion Carries unanimously.

The Board passed a motion to the addition of the resolution for Board Secretary to sign SNDA for JAX III site.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to approve the minutes from the January 27, 2022, business meeting.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to authorize Board Chair to enter into lease agreement for Temporary Office Space at IDEA Bassett.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to authorize Board Chair to enter into lease agreement for portable classrooms for IDEA River Bluff.

Motion made by: Gary Chartrand  
Second to motion: Christina Barker  
All in favor: Motion carries unanimously.

The Board passed a motion to approve the 21-22 Budget Amendments.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to approve the board ratification of ESSER III application.

Motion made by: Gary Chartrand  
Second to motion: Christina Barker  
All in favor: Motion carries unanimously.

The Board passed a motion to approve the revisions to the School Health Policy of Student Code of Conduct.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to approve entering into contract with Daigle Creative.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

The Board passed a motion to approve the resolution for Board Secretary to sign a SNDA for the Jacksonville III site.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

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**Board Members present:** Nick Rhodes, Christina Barker, Gary Chartrand

**Board Members not present:** Lizzette Gonzalez Reynolds

**Staff, Legal Counsel and Consultants present:** Daniel Woodring, Adam Miller, Alec Macaulay, Andrew Clarence, Andrew Stanton, Eric Haug, Christa Thomas, Cristina Aguilar, Jennifer White, Jessica Hess, John Macleod, Jose De Leon, Lalita Pillai, Miguel Berlanga, Rolando Posada, Simaran Bakshi, Travis Markey, Steven Hadley, II, Tita Teran

**Audience present:** None

Meeting is called to order by Nick Rhodes at 5:02 pm (EST)

## Updates

National Update: Jessica Hess, Chief Compliance and Administrative Officer  
Financial Update: Travis Markey, Sr. Director of Finance/IPS Controller



Regional Update: Rolando Posada, Area Superintendent  
JAX Update: Jose Luis De Leon, Executive Director  
Facilities Update: Stephen Hadley, II, VP of Facilities and Construction

### **Addition of agenda items**

Nick Rhodes requested a motion to approve the addition of the contract with Daigle Creative to today's agenda.

Motion made by: Christina Barker  
Second to motion made by: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

Nick Rhodes requested a motion to approve the addition of the resolution for Board Secretary to sign SNDA for JAX III site.

Motion made by: Christina Barker  
Second to motion made by: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

### **Approval of Minutes**

Nick Rhodes requested a motion to approve the minutes from the January 27, 2022, Board of Directors meeting.

Motion made by: Christina Barker  
Second to motion made by: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

### **Action Item A: Lease Agreement: Temporary Office Space at IDEA Bassett**

Steve Hadley, II, VP of Facilities and Construction, presented the proposed approval for 60x12 mobile office (portable) to be placed on the site of IDEA Bassett. The portable office will provide space for staff prior to the opening of the school facility. The temporary office will also provide a location for families to request information, ask questions, or complete enrollment applications. The proposed lease is for five months for a total cost not to exceed \$16,000.

Nick Rhodes looked for a motion to authorize Board Chair to enter into lease agreement for Temporary Office Space at IDEA Bassett.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor, None Opposed.

*Motion carries unanimously.*

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

**Action Item B: Portable Classrooms Lease**

Steve Hadley, II, VP of Facilities and Construction, presented the proposed lease is for 18 portable classrooms to be used at IDEA River Bluff for the first semester of the 2022-23 school year. Due to supply chain issues and labor shortages, the construction at IDEA River Bluff is behind schedule and is unlikely to be completed in time to obtain a certificate of occupancy by the first day of school. The lease will provide classroom space through the end of December 2022. Total cost of the lease will not exceed \$800,000.

Nick Rhodes looked for a motion to authorize Board Chair to enter into lease agreement for portable classrooms for IDEA River Bluff.

Motion made by: Gary Chartrand  
Second to motion: Christina Barker  
All in favor, None Opposed.  
*Motion carries unanimously.*

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

**Action Item C: Proposed Amendment to FY2021-22 Budget**

Andrew Clarence, Director of Financial Planning & Analysis, presented the recommendation to approve the proposed amendments to the FY021-22 budget as follows:

1. Eight (8) additional school buses for IDEA Tampa Bay to accommodate anticipate growth and higher than projected ridership. Vendors are selected via a competitive Request for Proposal. \$864,000 - Schools of Hope
2. Twelve (12) school buses for IDEA Jacksonville. This is based on projecting five routes for each campus, and an extra bus per campus if needed for back-up or if ridership exceeds projections. \$1,296,000 Schools of Hope or Charter School Program
3. Child Nutrition Program equipment and materials for preparation and delivery of school meals for students. \$310,869 Schools of Hope
4. Training: Stipends for staff to attend a Saturday training on School Safety. \$3,000 Schools of Hope

Nick Rhodes looked for a motion to approve the 21-22 Budget Amendments.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

#### **Action Item D: Ratification of ESSER III/ARP Application**

Florida is required to subgrant not less than 90 percent of its total American Recovery Plan (ARP) ESSER allocation to local educational agencies (LEAs) (including charter schools that are LEAs) to help meet a wide range of needs arising from the coronavirus pandemic, including reopening schools safely, sustaining their safe operation, and addressing students' social, emotional, mental health, and academic needs resulting from the pandemic. The State allocates these funds to LEAs on the basis of their respective shares of funds received under Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), IDEA Florida's application provides an explanation of how ARP/ESSER III funds will be used in the 2022-23 and 2023-24 school years and will benefit both Tampa and Jacksonville. The funds will be used to address learning loss and to provide supplemental after-school programming.

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

Nick Rhodes looked for a motion to approve the ratification of ESSER III application.

Motion made by: Gary Chartrand  
Second to motion: Christina Barker  
All in favor: Motion carries unanimously.

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

#### **Action Item E: School Health Policy of the Student Code of Conduct**

Nick Rhodes looked for a motion to approve the revisions to the School Health Policy of Student Code of Conduct.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor: Motion carries unanimously.

No public comment confirmed by Jennifer White, Director of Board Relations & Governance

#### **Action Item F: Daigle Creative Contract**

Nick Rhodes looked for a motion to approve entering into contract with Daigle Creative.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

#### **Action Item G: Signatory Authorization**

Nick Rhodes looked for a motion to approve the resolution for Board Secretary to sign a SNDA for the Jacksonville III site.

Motion made by: Christina Barker  
Second to motion: Gary Chartrand  
All in favor, None Opposed.  
*Motion carries unanimously.*

**Consent Agenda**

Nick Rhodes announced that no consent agenda items were in place for this meeting.

**Public Comment:** None

**Member Comment:** Gary Lindgren and Nick Rhodes made comments

**Adjourn**

Meeting was adjourned at 5:43 pm EST.

I certify that the foregoing are the true and correct minutes of the meeting of the Board of Directors of IDEA Florida held on February 24, 2022.

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Nick Rhodes, Board Secretary

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Date

**IDEA Florida  
Board Action Item  
February 24, 2022**

**Subject:** Revision for the Lease for Portable Classrooms at IDEA River Bluff

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**Proposed Board Action:** For Approval

**Executive Summary:**

At the February board meeting, the proposed lease for 18 portable classrooms to be used at IDEA River Bluff for the first semester of the 2022-23 school year was approved by the board. Since that meeting, need for an additional portable classroom was identified. Action is requested for the board to ratify the amendment to the original, approved lease. While the number of portable classrooms has increased, due to some other deductions from the original invoice, even with the addition the total cost of the lease does not exceed the originally approved \$800,000.

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**Supporting Documentation:** Revised Leases

**Presenter:** Steven Hadley, VP of Facilities and Construction



## Idea Public Schools - Modular Building Proposal

Prepared for: Lizzette Reynolds



**Project:** IPS University Blvd

**Project Location:** Jacksonville FL

**Proposal Date:** 3/14/2022

*Proposal is valid for (30) thirty days from date of submittal.*

### Submitted by:

**Thomas Lott**

Territory Sales Manager

Office: +1 (904)378 0500 x41418

Cell: +1 (832) 546-5159

Thomas.Lott@willscot.com | willscot.com

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## **PROPOSAL SUMMARY**

THIS PROPOSAL INCLUDES THE FOLLOWING:

1. 18 each – CL 4024 Modular Classrooms

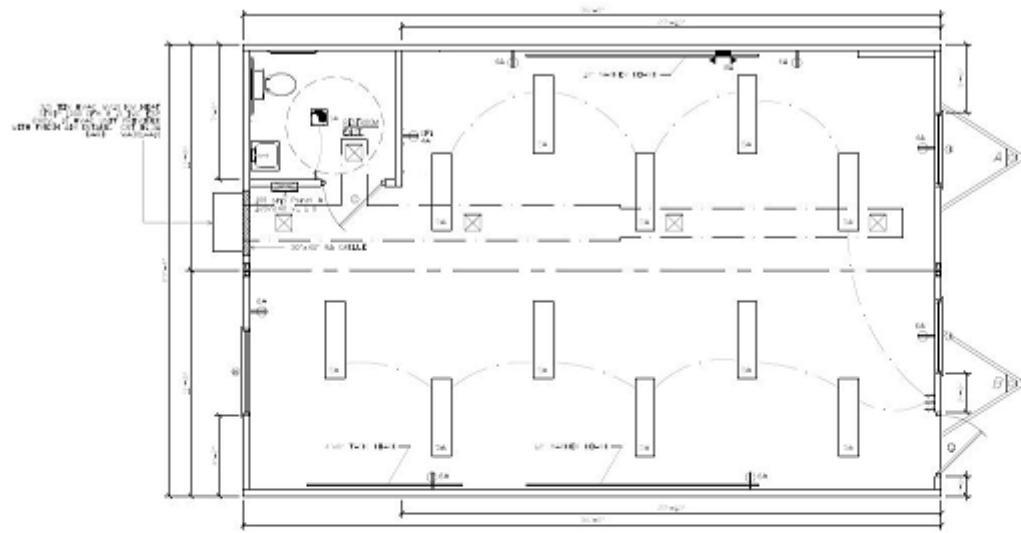
The scope of work (complete details included herein) will include delivery of modular units to the project site, installation, and skirting. Project coordination will be provided by the local WillScot branch located in Jacksonville Florida.

## **STANDARD BUILDING SPECIFICATIONS**

All buildings will include WillScot standard specifications and finishes and will be subject to availability at time of delivery. These units are standard stock units with standard stock finishes. These units were built to current building codes at time of manufacturing.

## **STANDARD FLOOR PLANS**

These are standard floor plans only and are subject to change based on availability at time of award. These are in-fleet units with stock standard finishes.



FLOOR PLAN  
SCALE: 1/8\"/>

ELECTRICAL PANEL FAT SIZING	
IDENTIFIED:	
2000 KW 1F 120V 1P X 120V	2000
1. 1000 KW 1F 120V 1P X 120V	1000
2. 1000 KW 1F 120V 1P X 120V	1000
3. 1000 KW 1F 120V 1P X 120V	1000
4. 1000 KW 1F 120V 1P X 120V	1000
5. 1000 KW 1F 120V 1P X 120V	1000
TOTAL: 2000 KW	
TOTAL: 2000 KW X 120V 1P X 120V	2000
TOTAL: 2000 KW X 120V 1P X 120V	2000

ELECTRICAL SCHEDULE			
QTY	DESCRIPTION	REMARKS	SEE SPEC
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000
1	1000 KW 1F 120V 1P X 120V	1000 KW 1F 120V 1P X 120V	1000



### Lease Agreement Summary - 1606474

**Lessee:**

IDEA Florida Inc  
5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

**Contact:**

Lizzette Reynolds  
5001 N Nebraska Ave Ste A  
Tampa, FL 33603  
**Phone:** (512) 791-1017  
**Email:** lizzette@excelined.org

**Ship To Address:**

2800 University Blvd N  
JACKSONVILLE, FL 32211 US

### Product Descriptions

QTY	PRODUCT
18	CL4024

### Pricing Summary - All Options (excluding taxes)

RECURRING CHARGES PER BILLING CYCLE:	\$24,480.00
INITIAL FEES:	\$435,699.00
FINAL CHARGES:	\$21,557.70
<b>TOTAL CHARGES WITH ALL OPTIONS:</b>	<b>\$628,616.70</b>

### Comments

\*\*\*Pre-payment of last billing cycle of rent and/or services due on initial invoice\*\*\*Based on unit availability at time of order\*\*\*Floor plans provided with quote are renderings and may not be exact to scale\*\*\*Based on a standard installation and removal by truck on a flat and accessible site\*\*\*Based on Prevailing wage rates\*\*\*Utilities (Elec, Plumb, Data) by others\*\*\*No Footers have been quoted\*\*\* Special equipment required for install or removal at an additional cost (if needed)\*\*\*Engineered/Stamped drawings at an additional cost\*\*\*Permits by others\*\*\*Value-Added Package is included at no additional charge in quote, however, it may show as a line item on first invoice for inventory purposes. Will not be a monthly reoccurring charge unless you selected an add on at the time of order\*\*\*TAXES AND PERSONAL PROPERTY TAX ARE NOT INCLUDED IN QUOTE FIGURES\*\*\* • Pilots Cars may be required per local Transportation Authority. Should pilot cars be required for delivery you will be notified prior to delivery. • Quote is valid for 30 days.

### Lease Agreement

**Lessee:** 0010503511  
IDEA Florida Inc  
5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

**Contact:**  
Lizzette Reynolds  
5001 N Nebraska Ave Ste A  
Tampa, FL 33603  
Phone: (512) 791-1017  
Email: lizzette@excelined.org

**Ship To Address:**  
2800 University Blvd N  
JACKSONVILLE, FL 32211 US  
**Delivery Date (on or about):** 05/02/2022

### Rental Pricing Per Billing Cycle

	Quantity	Price	Extended
40x24 Classroom (36x24 Box)	1		\$961.00
ADA/IBC Ramp -w/ switchback	1	\$399.00	\$399.00

Minimum Lease Billing Period: 7

Billing Cycle: 28 Days

Total Recurring Building Charges: \$961.00

Subtotal of Other Recurring Charges: \$399.00

**Total Recurring Charges Per Billing Cycle:** \$1,360.00

### Delivery & Installation

Fuel Surcharge Delivery	1	\$400.00	\$400.00
Fuel Surcharge Return	1	\$400.00	\$400.00
Essentials Material Handling	1	\$115.50	\$115.50
State Approved Building Plans	1	\$875.00	\$875.00
Life Safety Plans	1	\$312.50	\$312.50
Ramp / Stair Plans	1	\$312.50	\$312.50
Ramp - Delivery & Installation	1	\$1,197.65	\$1,197.65
HVAC Filters	7	\$8.13	\$56.91
Hitch removal	2	\$562.50	\$1,125.00
Hitch installation	2	\$562.50	\$1,125.00
Delivery Freight	2	\$1,923.46	\$3,846.92
Block and Level	1	\$5,220.00	\$5,220.00
Teardown	1	\$2,800.00	\$2,800.00
Return Freight	2	\$1,923.46	\$3,846.92
Vinyl skirting	120	\$21.43	\$2,571.60

**Total Delivery & Installation Charges:** \$24,205.50

### Final Return Charges\*

Ramp - Knockdown & Return	1	\$1,197.65	\$1,197.65
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**Due On Final Invoice\*:** \$1,197.65

**Total Including Recurring Billing Charges, Delivery, Installation & Return\*\*:** \$34,923.15

### Comments

Please note that for added value and time savings, the WS Mobile Office comes with Basic Cafe Package & DATA Hub. If you opt out of the Value-Added Package it will not change the price of the monthly lease price. Package includes: 1 mini-fridge, 1 coffee pot (12 cup), 1 microwave, 1 white board, 1 trash can (23 gal.), and convenience starter kit. This DATA Hub comes with: a pre-wired, ready for internet connection office solution.

### Summary of Charges

Model: CL4024	Quantity: 18	Total Charges for(18) Building(s): \$628,616.70
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## Insurance Requirements Addendum

QTY	PRODUCT	EQUIPMENT VALUE/BUILDING	DEDUCTIBLE PER UNIT
18	CL4024	\$38395.00	\$4000.00

### **Lessee:** IDEA Public Schools Florida

Pursuant to the Williams Scotsman Lease Agreement and its Terms and Conditions ("Agreement"), a Lessee is obligated to provide insurance to Williams Scotsman, Inc. ("Lessor") with the following insurance coverage:

1. **Commercial General Liability Insurance:** policy of combined bodily injury and property damage insurance insuring Lessee and Lessor against any liability arising out of the use, maintenance, or possession of the Equipment. Such insurance shall be in an amount not less than \$1,000,000 per occurrence, naming the Lessor as Additional Insured and Loss Payee.
2. **Commercial Property Insurance:** covering all losses or damage, in an amount equal to 100% of the Equipment Value set forth in the Lease providing protection against perils included within the classification and special extended perils (all "risk" insurance), naming the Lessor as Additional Insured and Loss Payee.

### **Commercial General Liability Insurance**

Lessee is providing Commercial General Liability Insurance in accordance with the requirements set forth in the Lease Agreement and Lessee shall provide a certificate of insurance in the manner and within the time frame set forth in the Agreement. If Lessee fails to deliver the required certificate of insurance, Lessee understands and agrees that the Lessor has the right to impose a missing insurance certificate fee.

### **Commercial Property Insurance**

Lessee is providing Commercial Property Insurance in accordance with the requirements set forth in the Lease Agreement and shall provide a certificate of insurance in the manner and within the time frame set forth in the Agreement. If Lessee fails to deliver the required certificate of insurance, Lessee understands and agrees that the Lessor has the right to impose a missing insurance certificate fee.

**FOR INFORMATIONAL PURPOSE ONLY: Please forward this document to your insurance carrier.**



## Clarifications

**\*Final Return Charges are estimated and will be charged at Lessor's prevailing rate at time of return. \*\*All prices exclude applicable taxes. All Lessees and Leases are subject to credit review.** In addition to the stated prices, customer shall pay any local, state or provincial, federal and/or personal property tax or fees related to the equipment identified above ("Equipment"), its value or its use. Lessee acknowledges that upon delivery of the Equipment, this Agreement may be updated with the actual serial number(s), delivery date(s), lock serial number(s), etc, if necessary and Lessee will be supplied a copy of the updated information. Prices exclude taxes, licenses, permit fees, utility connection charges, site preparation and permitting which is the sole responsibility of Lessee, unless otherwise expressly agreed by Lessor in writing. Lessee is responsible for locating and marking underground utilities prior to delivery and compliance with all applicable code requirements unless otherwise expressly agreed by the Lessor in writing. Price assumes a level site with clear access. Lessee must notify Lessor prior to delivery or return of any potentially hazardous conditions or other site conditions that may otherwise affect delivery, installation, dismantling or return of any Equipment. Failure to notify Lessor of such conditions will result in additional charges, as applicable. Physical Damage & Commercial Liability insurance coverage is required beginning on the date of delivery. Lessor is not responsible for changes required by code or building inspectors. **Pricing is valid for thirty (30) days.**

Please note the following important billing terms:

- In addition to the first billing period rental and initial charges, last billing period rent for building and other recurring rentals/services (excluding General Liability Insurance and Property Damage Waivers), will be billed on the initial invoice. Any amounts prepaid to Williams Scotsman will be credited on the final invoice.
- Invoices are due on receipt, with a twenty (20) day grace period. Interest will be applied to all past due amounts.
- Invoices are due on receipt, with a twenty (20) day grace period. Late fees will be applied to all past due amounts.
- Williams Scotsman preferred method of payment is ACH. Payments made by check are subject to a Paper Check Fee, charged on the next invoice following payment by check.
- Williams Scotsman preferred method of invoicing is via electronic transmission. Customers are encouraged to provide an email address or use MMConnect. Invoices sent standard mail are subject to a paper invoice fee, charged on the following invoice.

Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor Modular Equipment and Value Added Products (as such items are defined in Lessor's General Terms & Conditions) selected by Lessee as set forth in this Agreement. All such items leased by the Lessee for purposes of this Lease shall be referred to collectively as the "Equipment". By its signature below, Lessee hereby acknowledges that it has read and agrees to be bound by the Lessor's General Terms & Conditions (11-22-21) located on Lessor's internet site (<https://www.willscot.com/About/terms-conditions>) in their entirety, which are incorporated herein by reference and agrees to lease the Equipment from Lessor subject to the terms therein. Although Lessor will provide Lessee with a copy of the General Terms & Conditions upon written request, Lessee should print copies of this Agreement and General Terms & Conditions for recordkeeping purposes. Each party is authorized to accept and rely upon a facsimile signature, digital, or electronic signatures of the other party on this Agreement. Any such signature will be treated as an original signature for all purposes and shall be fully binding. The undersigned represent that they have the express authority of the respective party they represent to enter into and execute this Agreement and bind the respective party thereby.

## Invoicing Options (select one)

### ☐ Paperless Invoicing Option

Williams Scotsman prefers electronic invoicing, an efficient, convenient and environmentally friendly process. To avoid fees, provide us with the proper email address for your invoices

Corrected Email  
Address: \_\_\_\_\_

### ☐ Standard Mail Option

Customer prefers to receive paper invoice via mail. Fees may apply. Invoices will be mailed to:

5001 N Nebraska Ave Ste A Tampa FL 33603

Enter a new billing address: \_\_\_\_\_

## Signatures

**Lessee:** IDEA Florida Inc

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

PO#: \_\_\_\_\_

**Lessor:** Williams Scotsman, Inc.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**PLEASE RETURN SIGNED AGREEMENT TO: JAXLeases@willscot.com**

## Willscot Essentials Packages included in our offering for your project needs



**Basic Café Package**



THE ESSENTIALS

## DATA PACKAGE: COMPLEXES

Save time, money and a whole lot of hassle.  
Get your space prewired. Get your people  
working on day one.



### A SCALABLE SOLUTION FOR WHATEVER YOUR PROJECT SIZE

- + One call and the units arrive wired, tested and ready for service.
- + Get online faster with a single internet hook-up for the entire complex.
- + Add or customize ports / drops based on your workspace needs.
- + Costly damage is avoided and maintenance is covered.



### PREWIRED COMPLEXES ARRIVE READY FOR BUSINESS

Each unit comes  
with 6 ethernet ports  
powered by a single  
data panel

Lines are run through  
the floor or ceiling

Multiple data panels are connected  
in minutes upon delivery

A single hook-up point for your  
Internet Service Provider (ISP)  
delivers internet and phone to  
the entire unit



### Data Hub Package



**ADA Switch Back Ramp**

## SCOPE OF WORK & TECHNICAL CLARIFICATIONS

No.	Tasks	DELINEATION OF RESPONSIBILITY			
		Customer/Others	WillScot	N/A	Notes
1	Permits-State			X	All building were built to meet all State Building Codes At time of manufacturing.
2	Permits-Building/Construction	X			As required
3	Permits- Plumbing	X			Customer is responsible for any permits
4	Permits-Electrical	X			As required – Willscot does not include any electrical connections in our scope of work.
5	Permits-Occupancy	X			As required – GCs responsibility to verify with the local code officials regarding required egress and spacing of units at the site.
6	Permits-Transportation		X		Modular building units only
7	Permits/Applications-Other	X			As required
8	Temporary Security Fence	X			If required
9	Temporary Heat, Lighting, Power	X			If required
10	Dumpsters (with service)	X			For WillScot personnel/vendors/subs as needed
11	Aerial Work Platforms			X	Additional cost if required
12	Forklift			X	Additional cost if required
13	Translift Building Mover			X	Additional cost if required – We have priced a truck set for this site.
14	Crane			X	Additional cost if required
15	Site Security	X			24-hour site security
16	Parking & Parking Control	X			If required
17	Site Signage	X			If/As required
18	Site Cleanup		X		WillScot trash and debris only
19	Final Cleaning	X			Broom sweep only
20	Restrooms	X			For WillScot personnel/vendors/subs
21	Project Management			X	Additional cost if required
22	Full Time On-Site Supervision			X	Alternate pricing has been provided if required.
23	Site/Customer Specific Drug Testing			X	Additional cost if required
24	Site/Customer Specific Training			X	Additional cost if required
25	Background Checks			X	Additional cost if required
26	COVID 19 Site Specific Testing	X			Additional cost if required
27	COVID 19 Site Shut Down	X			Additional cost for any additional mobilization
28	Project Schedule	X	X		To be mutually agreed upon at time of award.
29	Project schedule to be mutually negotiated. WillScot shall not be responsible any project delays resulting from work performed by others and/or the force majeure clause. This proposal is based upon a Monday – Friday 50-hour work week.				
30	Customer shall inspect and accept modular building(s) within 24 hours following substantial completion of the WillScot scope of work, at which time the Customer shall provide WillScot with notice of defects and other proper objections to the facility.				
31	Any additional requirements or directives by local inspectors and/or other agencies shall be the responsibility of the customer, and customer shall be responsible for providing such information to WillScot prior to execution of a contractual agreement. Additional costs related to such requirement shall be customer's responsibility.				



32	In the event that any act or omission by the Customer (including the failure of the Customer to complete any work or obtain any permits for which it is responsible) or Customer's failure to make the site available and ready causes a delay in the commencement or completion of WillScot's scope of work or causes WillScot to suspend, reschedule or duplicate it's performance of work, Customer will be responsible applicable charges and additional costs incurred by WillScot to the extent caused by such delay. WillScot shall commence billing prior to substantial completion in the event the customer delay exceeds fourteen (14) days.				
33	All dimensions are nominal unless otherwise noted.				
34	WillScot reserves the right to substitute materials that are equal or better than those specified.				
35	Customer is responsible for operation and maintenance of facility after substantial completion.				
36	Customer is responsible for site security during the delivery and installation phase. Customer is responsible for any loss, damage, destruction or repair of the building(s) due to negligence, vandalism, arson, theft, collision, etc.				
37	<b>Any item(s) not specifically included in WillScot's scope of work is hereby excluded.</b>				
	<b>Design and Engineering</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Architect/Engineer of Record	X			If required
2	Building Engineering/Drawings		X		State approved building plans
3	Shop Drawings – Modifications			X	If required – shop drawings only. <b>If engineered drawings are required additional costs will apply.</b>
4	Blocking/Anchoring Plan			X	Standard set for this area. If site specific foundations designs are required. Soil testing information must be provided by others and additional cost would apply.
5	Foundation Engineering	X			If required
6	Site Plan	X			If required
7	Civil & Site Utility Engineering	X			If required
8	Storm Water/Erosion Control Plan	X			If required
9	Surveying	X			If required
10	Locate Building Benchmarks	X			Completed prior to commencement of building delivery
11	Soil Testing/Analysis	X			If required
	<b>Building</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Building Manufacturing			X	In-Fleet Classrooms being priced for this project
2	Gutters and Downspouts	X			If required
3	Furniture/Furnishings/Equipment	X			WS furniture options can be provided
4	Building Signage	X			As required
5	ADA Restroom Signage	X			
6	Final Building Keying/Re-keying	X			As required
7	The proposed modular building does not include exterior fire rated assemblies. In cases where a sprinkler system could be required it is the Customers responsibility to verify. All fire protection work is by others if required.				
8	This proposal is subject to equipment availability at time of order.				
	<b>Building Installation</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Module(s) Transportation to Site		X		Customer shall provide free and clear access for delivery of the modules by standard mobile transport vehicles.
2	Staging/Storage Location	X			Customer shall provide an off-street staging area adjacent to work site for assembly materials, trucks, equipment, etc.

3	Module(s) Truck Spotting		X		Additional cost if additional equipment is required
4	Block Modular Unit(s)		X		Door threshold height not to exceed 36" – additional cost may apply.
5	Anchor Modular Unit(s)		X		Does not include any concrete or asphalt cutting
6	Level Modular Unit(s)		X		As required
7	Interior/Exterior Finish Work		X		For complex units only
8	Remove Hitches		X		If required
9	Remove Axles/Tires			X	Additional cost if required
10	Modular Building Skirting		X		Vinyl skirting
11	Pricing and scope of work is subject to change based on site conditions and customer/site safety requirements.				
12	WillScot assumes the minimum required distance from any and all assumed and/or common property lines, all structures on-site and/or all proposed structures on-site.				
13	Delivery of the modular building(s) described is subject to delays in manufacturing or delivery due to fire, flood, windstorm, riot, strike, and civil disobedience, failure to secure materials from the usual sources of supply, Acts of God or any other circumstances beyond WillScot's control.				
14	WillScot assumes that the project site will be free and clear of all other trades, excavations, ditches or trenches caused by other trades until such time that the modular building(s) are in place and anchored, and that access to the project site will not be constrained by other subcontractors or trades not contained in WillScot's scope of work.				
<b>Decks, Steps and Ramps</b>		<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Decks/Ramps/Steps/Handrails		X		ADA switch back ramp included
2	Awning	X			If required
3	Footings/Foundations	X			If required
<b>Site Services</b>		<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Site-Selection, Preparation, Cleaning, Demolition, Grading, Fill & Compact	X			Customer is solely responsible for preparation of the site on which the building(s) is to be used, including any structural or grade alterations and identification of utility lines. Site selection is the sole responsibility of the customer.
2	Site-Pave, Curb, Stripe	X			If required
3	Site Condition Management	X			Including, but not limited to storm water, sedimentation, dewatering and/or dust control management if required
4	Site-Landscaping and/or Lighting	X			If required
5	Detention/Drainage	X			If required
6	Building/Foundation Pad	X			Customer shall provide a site with a minimum soil bearing capacity of 2,500 PSF at existing/finished pier grade and/or compaction to provide sufficient bearing for all intended loads and with level grade (approx. +/- 4") across the building envelope and shall allow for water drainage away from the building. WillScot assumes no responsibility for the soil bearing capacity of the prepared site, materials, workmanship and/or construction methods or the suitability thereof.
7	Fencing	X			If required
8	Concrete Side Walks	X			If required
9	Concrete Foundation	X			If required

10	Site Restoration	X			If required
11	All underground obstructions and utilities within the proposed modular building(s) envelope/work area shall be located and marked above grade by the customer. WillScot will not perform any of its contracted work until such markings have been accomplished by the proper utility authority. Customer shall be solely responsible for any delays, expense and liability associated with customer's failure to properly and/or timely accomplish the same.				
12	WillScot assumes that the customer's utility services including, but not limited to, potable water, sanitary sewer, electric, gas and communications are located on or nearby the site and are ready for connection. WillScot assumes no liability nor offers any warranty for the fitness or adequacy of the utilities available at the site.				
13	WillScot shall not be responsible for any subsurface and/or pre-existing environmental conditions, to include hazardous substances as defined under environmental law, rule or regulation, discovered in, on or about the project site. All obligations and responsibilities related to such conditions shall be the sole responsibility of the customer. WillScot shall be entitled to an appropriate extension of time necessary to fulfill its obligations related delays created by such conditions and compensable damages.				
	<b>Electrical</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Building Electrical Equipment		X		Building equipment only – NOTE: WS modular units contain single-phase power only.
2	Electrical Service & Connection	X			As required including MDP and transformers as required. WILLSCOT DOES NOT INCLUDE ANY TYPE OF ELECTRICAL CONNECTIONS. AS THIS WORK IS BY OTHERS.
3	Interconnections/Crossovers	X			As required for interior crossovers only on complex units only.
4	Fire Alarm System or Smoke Detectors	X			If required
5	Voice/Data Cabling	X			As required
6	Security System	X			If required
7	Access Control	X			If required
8	Unless otherwise specified, phone, data, public address and fire alarm systems (if/as required) shall be completed by others, including wiring/cabling. WillScot to provide empty junction boxes with conduit only.				
	<b>Plumbing</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	Building Plumbing Equipment		X		Building equipment only- All fixtures will be stubbed Through the floor for manifold and final connection to tanks By others.
2	Fresh Water and Holding Tanks			X	EXCLUDED
3	Interconnections/Manifold	X			As required
4	Utility Service & Final Connection	X			As required. Willscot does not include any utility connections in our pricing.
5	Fire Sprinkler System	X			If required
6	WillScot assumes that the Customer's utilities will be connected to services appropriate and sufficient for the same and approved operation of all building systems per manufacturer's specifications and all local, state and federal regulations. WillScot's proposal excludes utility upgrades and/or relocations. WILLSCOT DOES NOT INCLUDE ANY TYPE OF UTILITY CONNECTIONS IN OUR PRICING OUR SCOPE OF WORK.				
	<b>HVAC/Mechanical</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>
1	HVAC System		X		Exterior wall mount units
2	Connect HVAC Condensation Lines to Waste Line	X			If required WillScot can provide at additional cost
3	Functional Test		X		Completed at WS branch location prior to delivery
4	Certified Test & Balance	X			If required
	<b>Dismantle &amp; Return (Lease Option Only)</b>	<b>Customer/Others</b>	<b>WillScot</b>	<b>N/A</b>	<b>Notes</b>

		Pre-Dismantle Walk Through	X	X		Final walk through to be completed by WillScot and Customer prior to commencement of dismantling phase.
		Building Dismantle		X		All equipment and furniture not included in WillScot scope must be removed prior to building dismantle.
		Building Return Transportation		X		Customer shall provide free and clear access for return of the modules by standard mobile transport vehicles.
		Remove Modifications/Alterations			X	If required
		Disconnect Utilities	X			Disconnection of all utilities and electrical to be completed prior to commencement of dismantling phase.
		Remove Steps/Decks/Ramps/Awnings		X		To be completed prior to commencement of dismantling phase.
		Remove Equipment/Furniture/Furnishings	X			As required
		Site Cleanup		X		WillScot trash and debris only
		Site Restoration	X			

PROPOSAL/CONTRACTUAL CLARIFICATIONS  
WILLIAMS SCOTSMAN, INC.

MODULAR EQUIPMENT LEASE AGREEMENT TERMS & CONDITIONS (05/5/2021)

1. ALL CAPITALIZED TERMS USED AND NOT OTHERWISE DEFINED HEREIN, WILL HAVE THE MEANINGS SET FORTH IN THE LEASE AGREEMENT OR OTHER ADDENDA OR AMENDMENTS THERETO. AS USED IN THESE TERMS AND CONDITIONS, THE FOLLOWING DEFINITIONS SHALL APPLY: "LEASE AGREEMENT" THE "LEASE AGREEMENT" AND THESE "LEASE AGREEMENT TERMS AND CONDITIONS" ALONG WITH ANY "ADDENDA" OR "AMENDMENTS" THERETO TOGETHER COMPRISE THE "LEASE AGREEMENT" BETWEEN THE PARTIES.

"MODULAR EQUIPMENT" SHALL MEAN THE TRAILER(S) AND/OR RELOCATABLE, MODULAR, AND/OR OTHER PREFABRICATED STRUCTURE(S) SUPPLIED BY LESSOR. "ANCILLARY PRODUCTS" SHALL MEAN ANY AND ALL OTHER PRODUCTS OR SERVICES WHICH ARE SELECTED BY LESSEE AND PROVIDED BY LESSOR WHICH ARE OFFERED FOR RENTAL WITH, INCLUDED IN, ATTACHED TO, OR APPURTENANT TO THE MODULAR EQUIPMENT, AND SET FORTH IN THIS LEASE AGREEMENT. "EQUIPMENT" SHALL COLLECTIVELY MEAN THE MODULAR EQUIPMENT AND THE ANCILLARY PRODUCTS PROVIDED TO LESSEE BY LESSOR UNDER THIS LEASE AGREEMENT.

2. TRUE LEASE. THE LEASE AGREEMENT IS A TRUE LEASE AND NOT AN AGREEMENT FOR SALE; AND THE EQUIPMENT IS MOVABLE, PERSONAL PROPERTY OF LESSOR AND NOT A FIXTURE. LESSEE SHALL NOT OBTAIN ANY OWNERSHIP INTEREST IN THE EQUIPMENT.

3. COMMITMENT OF RESOURCES. BY SIGNING THIS LEASE AGREEMENT, LESSEE AUTHORIZES LESSOR TO PROCEED WITH THE ORDER FOR THE EQUIPMENT AND AGREES THAT LESSOR MAY IMMEDIATELY BEGIN INCURRING COSTS IN PREPARING THE EQUIPMENT FOR LESSEE'S USE. IN THE EVENT LESSEE TERMINATES THIS LEASE AGREEMENT OR WRONGFULLY REJECTS EQUIPMENT PRIOR TO THE COMMENCEMENT OF THE MINIMUM LEASE BILLING PERIOD (HEREINAFTER DEFINED), LESSEE SHALL BE RESPONSIBLE FOR THE PAYMENT TO LESSOR OF: A) THE COSTS INCURRED BY LESSOR FOR LABOR, MATERIALS AND WORK EXECUTED UP TO LESSOR'S RECEIPT OF WRITTEN NOTICE OF TERMINATION; B) STORAGE RELATED CHARGES ATTRIBUTABLE TO FAILED DELIVERY; AND C) RENT FOR THE MINIMUM LEASE BILLING PERIOD.

4. DELIVERY; ACCEPTANCE; DELAY. WITHIN 48 HOURS OF DELIVERY, LESSEE SHALL INSPECT THE EQUIPMENT AND NOTIFY LESSOR IN WRITING OF ANY DEFECTS. UNLESS LESSOR RECEIVES TIMELY WRITTEN NOTICE FROM LESSEE, LESSEE IS DEEMED TO HAVE ACCEPTED THE EQUIPMENT. IF DELIVERY OF THE EQUIPMENT IS DELAYED THROUGH NO FAULT OF LESSOR FOR A PERIOD OF MORE THAN THIRTY (30) DAYS FROM THE DELIVERY DATE SET FORTH IN THE LEASE AGREEMENT, LESSEE SHALL PAY LESSOR A STORAGE FEE EQUAL TO 50% OF THE TOTAL RENTAL CHARGES FOR EACH THIRTY (30) DAY PERIOD OF DELAY, OR PORTION THEREOF, UNTIL THE EQUIPMENT IS DELIVERED, IN ADDITION TO ANY OTHER RENT, CHARGES AND FEES DUE. ANY SUCH STORAGE FEES SHALL NOT AFFECT COMMENCEMENT OF THE MINIMUM LEASE BILLING PERIOD.

5. TERM OF LEASE; EXTENSION. THE TERM OF THIS LEASE AGREEMENT COMMENCES UPON THE DATE OF DELIVERY OF THE EQUIPMENT AND ENDS ON THE LAST DAY OF THE

MINIMUM LEASE BILLING PERIOD, AS DEFINED IN THE LEASE, OR THE EXTENSION PERIOD ("TERM"). LESSEE HAS NO RIGHT TO CANCEL OR TERMINATE THIS LEASE PRIOR TO THE EXPIRATION OF THE MINIMUM LEASE BILLING PERIOD. ACCEPTANCE OF EQUIPMENT RETURNED TO LESSOR PRIOR TO EXPIRATION OF THE MINIMUM LEASE BILLING PERIOD OR ANY EXTENSION PERIOD DOES NOT CONSTITUTE A RELEASE OF LESSEE'S RENTAL OBLIGATIONS. IF LESSEE NONETHELESS PREMATURELY TERMINATES THIS LEASE, LESSEE UNCONDITIONALLY AGREES TO PAY A TERMINATION/CANCELLATION FEE EQUAL TO THE REMAINING PAYMENTS FOR THE UNFULFILLED MINIMUM LEASE BILLING PERIOD, ANY APPLICABLE CHARGES FOR SERVICES OR MODIFICATIONS PERFORMED BY LESSOR TO MAKE THE EQUIPMENT READY FOR LESSEE'S USE, AND ANY APPLICABLE CHARGES RELATED TO ANCILLARY PRODUCTS, PLUS THE FINAL RETURN CHARGES. LESSOR RESERVES THE RIGHT TO CHARGE FUEL SURCHARGES AT ITS DISCRETION.. AT THE END OF THE MINIMUM LEASE BILLING PERIOD OR EXTENSION PERIOD, LESSEE SHALL BE RESPONSIBLE FOR ANY FINAL RETURN CHARGES INCLUDING, BUT NOT LIMITED TO, DISMANTLE AND RETURN FREIGHT CHARGES, FUEL SURCHARGES, CHARGED AT LESSOR'S THEN PREVAILING RATE AT THE TIME OF SURRENDER. LESSOR HAS THE RIGHT TO REQUIRE LESSEE TO PREPAY THE RENTAL FOR THE LAST BILLING PERIOD AND RETURN FREIGHT AND KNOCKDOWN CHARGES. AT THE END OF THE MINIMUM LEASE BILLING PERIOD, THIS LEASE AGREEMENT IS AUTOMATICALLY EXTENDED ON A MONTH-TO-MONTH BASIS ON THE SAME TERMS AND CONDITIONS UNTIL THE EQUIPMENT IS RETURNED TO LESSOR (THE "EXTENSION PERIOD"); EXCEPT THAT LESSEE'S RENTAL RATE SHALL BE AUTOMATICALLY ADJUSTED TO LESSOR'S THEN PREVAILING RENEWAL RENTAL RATE AND LESSOR CAN CHANGE OR INCREASE ANY OTHER FEE DUE UNDER THE LEASE AGREEMENT. AFTER THE END OF THE MINIMUM LEASE BILLING PERIOD, EITHER PARTY CAN TERMINATE THIS LEASE AGREEMENT ON THIRTY (30) DAYS WRITTEN NOTICE.

6. SITE SUITABILITY; INSPECTION. LESSEE SHALL BEAR THE SOLE RESPONSIBILITY FOR, AND BEAR ANY COSTS NECESSARY TO PREPARE OR REMEDIATE LESSEE'S SITE TO ENSURE ITS SUITABILITY AND STABILITY FOR PLACEMENT OF THE EQUIPMENT. PLEASE VISIT THE SITE SUITABILITY ADDENDUM TO THESE TERMS AND CONDITIONS AT [WWW.WILLSCOT.COM](http://WWW.WILLSCOT.COM) FOR SPECIFIC SITE SUITABILITY REQUIREMENTS. LESSEE SHALL NOT STACK THE MODULAR EQUIPMENT UNLESS LESSOR HAS PROVIDED CONSENT TO SUCH STACKING IN WRITING.

7. USE; MAINTENANCE; CONDITION. LESSEE SHALL USE THE EQUIPMENT SOLELY FOR COMMERCIAL BUSINESS PURPOSES AND ASSUMES ALL RESPONSIBILITY FOR ANY AND ALL LICENSES, PERMITS, CERTIFICATES, CLEARANCES, CONSENTS, OR APPROVALS AS MAY BE REQUIRED FOR LESSEE'S LAWFUL USE, INSTALLATION, OPERATION, POSSESSION AND OCCUPANCY OF THE EQUIPMENT, INCLUDING WITHOUT LIMITATION UTILITY LOCATES, AND LESSEE SHALL PAY THE COST AND EXPENSES AND COMPLY WITH ALL LAWS RULES, REGULATIONS AND ORDERS OF LOCAL, STATE, AND FEDERAL GOVERNMENTAL AUTHORITIES. THIS IS AN ABSOLUTE NET LEASE. LESSEE IS SOLELY RESPONSIBLE FOR ROUTINE MAINTENANCE, INCLUDING WITHOUT LIMITATION JANITORIAL SERVICES, PEST CONTROL, CHANGING OF HVAC FILTERS, LIGHT BULBS, AND BALLASTS, CLEANING (BY QUALIFIED HVAC TECHNICIANS ONLY) THE HVAC CONDENSER AND EVAPORATOR COILS, REFILLING HVAC REFRIGERANT, AND REMOVAL OF WATER, ICE AND SNOW



FROM AND ABOUT THE EQUIPMENT. LESSEE SHALL, AT ITS SOLE COST, KEEP THE EQUIPMENT CLEAN, IN GOOD REPAIR AND SAFE OPERATING CONDITION AT ALL TIMES DURING THE TERM IN ACCORDANCE WITH THE WILLIAMS SCOTSMAN SERVICE GUIDE, WHICH LESSEE ACKNOWLEDGES RECEIPT. LESSEE SHALL NOT MAKE ANY CHANGES IN, OR TO THE EQUIPMENT AND SHALL NOT REMOVE ANY IDENTIFYING INSIGNIA AFFIXED TO THE EQUIPMENT WITHOUT LESSOR'S CONSENT. LESSEE SHALL KEEP THE MODULAR EQUIPMENT PROPERLY VENTILATED AND SHALL NOT ALLOW ANY CONDITION TO EXIST THAT ALLOWS STANDING WATER TO ACCUMULATE IN, ON, OR UNDER THE EQUIPMENT. DAMAGE, DETERIORATION, OR CONTAMINATION OF THE EQUIPMENT DUE TO WATER EXPOSURE IS NOT CONSIDERED ORDINARY WEAR AND TEAR. LESSEE IS SOLELY RESPONSIBLE FOR DAMAGE DUE TO SETTLING OR CAUSED BY MOISTURE OR WATER. LESSOR HAS THE RIGHT TO INSPECT THE EQUIPMENT AT ANY TIME UPON REASONABLE NOTICE, UNLESS DUE TO EMERGENCY. IF LESSOR BELIEVES THE EQUIPMENT TO BE MISUSED OR NEGLECTED, LESSOR MAY, WITH WRITTEN NOTICE, DECLARE THE LEASE AGREEMENT IN DEFAULT AND REPOSSESS THE EQUIPMENT AT LESSEE'S SOLE COST. LESSEE ASSUMES FULL RESPONSIBILITY FOR ANY ANCILLARY PRODUCTS AND/OR OTHER ITEMS MISSING FROM THE EQUIPMENT UPON RETURN. ANY SPECIAL REQUIREMENTS WITH RESPECT TO THE EQUIPMENT SHALL BE HANDLED ON A CASE-BY-CASE BASIS. LESSOR MAKES NO REPRESENTATIONS AS TO THE EQUIPMENT'S COMPLIANCE WITH THE LAWS, CODES, OR REQUIREMENTS OF ANY JURISDICTION. LESSEE AGREES THAT THE EQUIPMENT LEASED HEREUNDER WILL NOT BE OCCUPIED BY ANY PERSON OTHER THAN LESSEE, ITS AGENTS, EMPLOYEES, OR INVITEES AND WILL NOT BE USED FOR RESIDENTIAL OR DORMITORY PURPOSES. [FOR EQUIPMENT DELIVERED IN CALIFORNIA: PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1938 LESSEE IS HEREBY NOTIFIED THAT THE EQUIPMENT LEASED HEREUNDER HAS NOT UNDERGONE AN INSPECTION BY A CERTIFIED ACCESS SPECIALIST (CASP).]

8. ANCILLARY PRODUCTS. LESSEE UNDERSTANDS THAT SOME ANCILLARY PRODUCTS ORIGINATE FROM THIRD-PARTY SUPPLIERS. IF ANCILLARY PRODUCTS ARE LEASED, LESSEE'S SOLE REMEDIES FOR DEFECTS ARISING DURING THE TERM SHALL BE AGAINST THE MANUFACTURER OR THIRD-PARTY SUPPLIER THEREOF, PURSUANT TO THE TERMS OF THE MANUFACTURER'S OR THIRD-PARTY SUPPLIER WRITTEN WARRANTY, IF ANY. LESSEE ACKNOWLEDGES AND IS FULLY AWARE OF THE POTENTIAL HAZARDS IN USING THE ANCILLARY PRODUCTS, AND AGREES TO ASSUME ALL RISK AND IS RESPONSIBLE FOR ANY LOSS OR DAMAGE TO THE ANCILLARY PRODUCTS WHILE ON LEASE TO LESSEE. WILLIAMS SCOTSMAN DOES NOT OFFER ANY EXPRESS WARRANTY ON ANCILLARY PRODUCTS AND DISCLAIMS ANY IMPLIED WARRANTIES ON ANCILLARY PRODUCTS, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. HAZARDOUS MATERIALS. LESSEE SHALL NOT HAVE PRESENT, ANY HAZARDOUS MATERIALS, AS SUCH TERM IS DEFINED UNDER THE LAW OF ANY JURISDICTION, IN, ON, UNDER, OR NEAR THE EQUIPMENT, UNLESS LESSOR SHALL HAVE FIRST CONSENTED IN WRITING TO SUCH PRESENCE OF HAZARDOUS MATERIALS, IN WHICH CASE LESSEE SHALL BE SOLELY RESPONSIBLE FOR HANDLING AND DISPOSING OF SUCH HAZARDOUS MATERIALS IN ACCORDANCE WITH APPLICABLE LAW. LESSEE SHALL BEAR THE COST FOR ANY NECESSARY TESTING, INSPECTION, OR DECONTAMINATION OF THE EQUIPMENT DETERMINED TO BE NECESSARY BY LESSOR. IF THE EQUIPMENT CANNOT BE

DECONTAMINATED, THE EQUIPMENT SHALL BE DEEMED A TOTAL LOSS AND LESSEE ASSUMES FULL RESPONSIBILITY FOR THE EQUIPMENT INCLUDING THE DISPOSAL THEREOF AND SHALL PAY LESSOR THE EQUIPMENT VALUE AS SET FORTH ON THE LEASE ORDER AGREEMENT PLUS ALL APPLICABLE TAXES AND FEES IN ACCORDANCE WITH SECTION 13 HEREIN.

10. RENT; FEES; TAXES; LATE CHARGES. RENT FOR THE EQUIPMENT BEGINS TO ACCRUE UPON DELIVERY OF THE EQUIPMENT (THE "DELIVERY DATE"). LESSEE SHALL BE BILLED ON A 28- DAY CYCLE IN ADVANCE ("BILLING CYCLE") AT THE RATE STATED IN THIS LEASE AGREEMENT DURING THE MINIMUM LEASE BILLING PERIOD, AND AT THE RATE ESTABLISHED BY LESSOR DURING ANY EXTENSION PERIOD. LESSOR SHALL NOT PRORATE ANY FRACTION OF A BILLING CYCLE. LESSEE SHALL BE SOLELY LIABLE FOR ANY AND ALL (I) SALES AND USE TAX, RENTAL TAX, GROSS RECEIPTS TAX, TRANSACTION PRIVILEGE TAX, VALUE-ADDED TAX, GOODS AND SERVICES TAX, AND SIMILAR TRANSACTIONAL TAXES ("SALES TAXES"), (II) AD VALOREM, REAL PROPERTY, AND OWNERSHIP TAX/PERSONAL PROPERTY TAXES ("PROPERTY TAXES"), AND (III) RELATED THIRD-PARTY FEES, OTHER FEES AND CHARGES ("OFC") AND EXPENSES ("FEES") (THE ITEMS SET FORTH IN CLAUSES (I), (II), AND (III), HEREINAFTER REFERRED TO AS "TAXES AND FEES"). LESSEE SHALL PAY, OR SHALL REIMBURSE, LESSOR FOR ANY TAXES AND FEES RELATED TO THE EQUIPMENT, AND ITS VALUE, USE, OR OPERATION OR LEVIED AGAINST OR BASED UPON THE AMOUNTS PAID OR TO BE PAID UNDER THIS LEASE AGREEMENT. ANY AMOUNTS NOT PAID WHEN DUES SHALL BE SUBJECT TO AN INTEREST CHARGE OF 1½% PER BILLING CYCLE, OR THE MAXIMUM AMOUNT PERMITTED BY LAW, OF THE AMOUNT IN ARREARS FOR THE PERIOD SUCH AMOUNT REMAINS UNPAID, PLUS AN ADMINISTRATIVE LATE CHARGE OF \$35.00 PER BILLING CYCLE FOR EACH BILLING CYCLE THE INVOICE REMAINS UNPAID. LATE CHARGES AND FEES LESSOR MAY APPLY ANY PAYMENT FROM LESSEE AGAINST ANY OBLIGATION DUE AND OWING BY LESSEE UNDER THIS LEASE AGREEMENT. LESSOR MAY ACCEPT ANY PAYMENT IRRESPECTIVE OF ENDORSEMENT AND DEPOSIT SAME WITHOUT PREJUDICE TO ITS RIGHT TO RECOVER THE BALANCE. LESSEE'S OBLIGATION, WITHOUT PRIOR NOTICE OR DEMAND, TO PAY RENT AND ALL OTHER AMOUNTS DUE HEREUNDER SHALL BE UNCONDITIONAL AND NOT SUBJECT TO ANY SET OFF OR REDUCTION FOR ANY REASON WHATSOEVER. INVOICES ARE ISSUED SOLELY FOR LESSEE'S CONVENIENCE. ELECTRONIC BILLING IS THE LESSOR'S PREFERRED BILLING METHOD. LESSEE SHALL PROVIDE A VALID ELECTRONIC MAIL ADDRESS FOR RECEIVING INVOICES. LESSOR'S PREFERRED PAYMENT METHOD IS ACH. LESSOR RESERVES THE RIGHT TO CHARGE AN ADMINISTRATIVE FEE FOR PAPER INVOICE, PAPER CHECK OR SPECIAL BILLING REQUESTS.

11. NO LIENS. LESSEE SHALL KEEP THE EQUIPMENT FREE AND CLEAR OF ANY AND ALL CLAIMS, LIENS, SECURITY INTERESTS, ENCUMBRANCES, OR ATTACHMENTS.

12. INDEMNITY; DEFENSE. LESSEE AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS LESSOR, ITS SHAREHOLDERS, PARENTS, SUBSIDIARIES, AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, SUBCONTRACTORS, AGENTS, AND INVITEES, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, COSTS, AND ATTORNEYS' FEES AND EXPENSES, ARISING OUT OF OR RELATED TO: (A) ANY LOSS OR DAMAGE TO THE EQUIPMENT OR ANY PART OR COMPONENT THEREOF; (B) THE DEATH OF, INJURY TO,



ILLNESS OF, OR DAMAGE TO THE PROPERTY OF, ANY PERSON OR PARTY RELATED TO OR ARISING OUT OF THE DELIVERY, INSTALLATION, USE, POSSESSION, CONDITION, RETURN, OR REPOSSESSION OR RELOCATION (BY OTHER THAN LESSOR'S EMPLOYEES AND/OR SUBCONTRACTORS) OF THE EQUIPMENT; AND/OR (C) THE FAILURE OF LESSEE TO MAINTAIN AND/OR CORRECTLY AND LAWFULLY USE THE EQUIPMENT. LESSEE SHALL GIVE LESSOR IMMEDIATE NOTICE OF ANY CLAIM OR LIABILITY HEREBY INDEMNIFIED AGAINST. THE DUTY TO DEFEND PURSUANT TO THIS SECTION IS INDEPENDENT FROM THE DUTY TO INDEMNIFY, ARISES IMMEDIATELY UPON THE PRESENTATION OF A CLAIM BY ANY PARTY, AND EXISTS REGARDLESS OF WHETHER FAULT IS ULTIMATELY APPORTIONED TO LESSOR BY ANY FORUM.

13. LOSS; DAMAGE. LESSEE ASSUMES THE RISK OF ALL LOSS AND DAMAGE TO THE EQUIPMENT FROM ALL CAUSES. UPON THE OCCURRENCE OF THE TOTAL LOSS OF ANY OR ALL OF THE EQUIPMENT, TO SUCH AN EXTENT AS TO MAKE THE REPAIR THEREOF UNECONOMICAL (IN LESSOR'S SOLE OPINION), LESSOR SHALL DECLARE THE RELEVANT EQUIPMENT A "TOTAL LOSS". IN THE EVENT OF A TOTAL LOSS OF THE MODULAR EQUIPMENT, LESSEE SHALL PAY LESSOR ON THE NEXT DATE FOR THE PAYMENT OF RENT: THE RENT THEN DUE; PLUS THE VALUE OF THE MODULAR EQUIPMENT (THE "EQUIPMENT VALUE") AS STIPULATED IN THE LEASE AGREEMENT; PLUS THE VALUE OF ALL DESTROYED ANCILLARY PRODUCTS; LESS ALL INSURANCE PROCEEDS ACTUALLY PAID AND/OR ASSIGNED TO LESSOR FROM INSURANCE MAINTAINED BY LESSEE; PLUS ALL APPLICABLE TAXES AND FEES AND/OR TRANSFER TAXES (TOGETHER THE "TOTAL LOSS AMOUNT"). UPON LESSOR'S RECEIPT OF THE TOTAL LOSS AMOUNT, LESSEE'S LEASE OBLIGATION WILL TERMINATE AND LESSOR WILL TRANSFER AVAILABLE OWNERSHIP DOCUMENTS TO THE MODULAR EQUIPMENT TO LESSEE, UNLESS LESSOR AGREES IN WRITING TO DISPOSE OF THE MODULAR EQUIPMENT AND ANY DESTROYED ANCILLARY PRODUCTS AT LESSEE'S SOLE COST AND EXPENSE. IN THE EVENT OF LOSS OR DAMAGE TO ANY OR ALL OF THE EQUIPMENT THAT DOES NOT CONSTITUTE A TOTAL LOSS, LESSEE, AT ITS SOLE COST AND EXPENSE, SHALL PAY OR REIMBURSE LESSOR, TO THE EXTENT LESSOR HAS NOT BEEN PAID OR REIMBURSED FROM INSURANCE MAINTAINED BY LESSEE, FOR THE REPAIR OF SUCH DAMAGE AS DIRECTED BY LESSOR TO THE CONDITION REQUIRED BY THIS LEASE AGREEMENT. ANY LOSS OR DAMAGE TO ANY OR ALL OF THE EQUIPMENT SHALL NOT REDUCE OR OTHERWISE ABATE LESSEE'S OBLIGATION TO PAY ALL RENTAL PAYMENTS WHEN DUE.

14. INSURANCE. LESSEE'S RESPONSIBILITY FOR THE EQUIPMENT BEGINS IMMEDIATELY UPON DELIVERY. UNLESS LESSEE HAS ELECTED IN WRITING TO PARTICIPATE IN LESSOR'S PROPERTY DAMAGE WAIVER PROGRAM AND/OR COMMERCIAL GENERAL LIABILITY PROGRAM AND PAYS THE REQUIRED ADDITIONAL FEES, LESSEE SHALL CARRY DURING THE ENTIRE MINIMUM LEASE BILLING PERIOD AND EXTENSION PERIOD LIABILITY AND PROPERTY INSURANCE AS FOLLOWS: (A) GENERAL LIABILITY INSURANCE: A POLICY OF COMBINED BODILY INJURY AND PROPERTY DAMAGE INSURANCE INSURING LESSEE AND LESSOR AGAINST ANY LIABILITY ARISING OUT OF THE USE, MAINTENANCE, OR POSSESSION OF THE EQUIPMENT. SUCH INSURANCE SHALL BE IN AN AMOUNT NOT LESS THAN \$1,000,000 PER OCCURRENCE. (B) PROPERTY INSURANCE: A POLICY OF INSURANCE COVERING ALL LOSS OR DAMAGE TO THE EQUIPMENT, INCLUDING FLOOD AND EARTHQUAKE, FOR NOT LESS THAN 100% OF THE EQUIPMENT VALUE AND

THE ANCILLARY PRODUCTS VALUE AS ESTABLISHED BY LESSOR FOR THE FULL TERM OF THE LEASE AGREEMENT. (C) GENERAL. (1) LESSEE'S INSURANCE FOR THE EQUIPMENT SHALL BE ISSUED BY INSURANCE COMPANIES SATISFACTORY TO LESSOR. SUCH INSURANCE SHALL BE PRIMARY, AND ANY OTHER COVERAGE CARRIED BY THE LESSOR SHALL BE EXCESS AND NON-CONTRIBUTORY. WITHIN TEN (10) DAYS AFTER THE DELIVERY OF THE MODULAR EQUIPMENT, LESSEE SHALL PROVIDE LESSOR WITH EVIDENCE OF THE REQUIRED INSURANCE AND NAMING LESSOR AS ADDITIONAL INSURED AND LOSS PAYEE. THE EVIDENCE OF INSURANCE MUST PROVIDE LESSOR WITH THIRTY (30) DAYS PRIOR WRITTEN NOTICE OF ANY CANCELLATION OR TERMINATION. ANY PROCEEDS OF SUCH INSURANCE SHALL BE PAID TO LESSOR AND SHALL BE APPLIED TO THE REPLACEMENT OF THE EQUIPMENT, OR PAYMENT OF MONIES DUE UNDER THIS LEASE AGREEMENT, AT THE OPTION OF LESSOR. LESSEE SHALL COMPLY WITH ALL REQUIREMENTS OF THE INSURANCE UNDERWRITERS OR ANY GOVERNMENTAL AUTHORITY. (2) LESSEE SHALL PAY A MISSING OR EXPIRED EVIDENCE FEE FOR EACH MONTH THAT LESSEE FAILS TO TIMELY PROVIDE THE REQUIRED EVIDENCE OF INSURANCE FOR PROPERTY COVERAGE OR FOR LIABILITY COVERAGE. SUCH FEES SHALL BE CALCULATED BY LESSOR AT ITS THEN- PREVAILING RATE(S). PAYMENT OF MISSING OR EXPIRED EVIDENCE FEES SHALL NOT PROVIDE LESSEE WITH ANY INSURANCE COVERAGE, NOR EXCUSE LESSEE FROM PERFORMING ITS OBLIGATIONS UNDER THIS LEASE.

15. DEFAULTS; REMEDIES. EACH OF THE FOLLOWING SHALL CONSTITUTE AN "EVENT OF DEFAULT": (1) FAILURE TO MAKE ANY PAYMENT WITHIN TEN (10) DAYS AFTER ITS DUE DATE; (2) FAILURE TO PERFORM ANY OTHER TERM OF THIS LEASE AGREEMENT; (3) ABANDONMENT OF THE EQUIPMENT; (4) MATERIAL MISREPRESENTATION OR FALSE STATEMENT OF FACT BY LESSEE; OR (5) DEFAULT UNDER ANY OTHER AGREEMENT WITH WILLIAMS SCOTSMAN. (B) UPON THE OCCURRENCE OF AN EVENT OF DEFAULT, LESSOR MAY DECLARE THIS LEASE AGREEMENT TO BE IN DEFAULT, AND THEREAFTER MAY EXERCISE ANY OF THE FOLLOWING REMEDIES: (1) DECLARE IMMEDIATELY DUE AND PAYABLE THE RENT FOR THE MINIMUM LEASE BILLING PERIOD AND ANY EXTENSION PERIOD THEREOF, TOGETHER WITH ALL OTHER UNPAID RENT, FEES, TAXES, AND CHARGES (INCLUDING BUT NOT LIMITED TO DELAY/STORAGE FEES AND/OR TERMINATION CHARGES UNDER THIS LEASE AGREEMENT AND/OR ANY OTHER AGREEMENT WITH WILLIAMS SCOTSMAN); (2) REPOSSESS AND/OR RETAIN ANY OR ALL OF THE EQUIPMENT FREE OF ALL RIGHTS AND CLAIMS OF LESSEE WITHOUT NOTICE, WITHOUT LEGAL PROCESS OR JUDICIAL INTERVENTION, AND WITHOUT RELEASING LESSEE OF ANY TERM, COVENANT OR CONDITION PROVIDED HEREIN AND LESSEE GRANTS LESSOR ACCESS AND PERMISSION TO ENTER THE PROPERTY ON WHICH THE EQUIPMENT IS LOCATED TO REMOVE THE EQUIPMENT AND LESSOR SHALL HAVE THE RIGHT TO REMOVE ANY LOCKS ON THE EQUIPMENT; (3) SELL OR DISPOSE OF ANY OF THE EQUIPMENT, WHETHER OR NOT IN LESSOR'S POSSESSION, IN A COMMERCIALY REASONABLE MANNER AND APPLY THE NET PROCEEDS OF SUCH DISPOSITION, AFTER DEDUCTING ALL COSTS, TO THE OBLIGATIONS OF LESSEE WITH LESSEE REMAINING LIABLE FOR ANY DEFICIENCY; (4) TERMINATE THIS LEASE AGREEMENT AND/OR ANY OTHER AGREEMENT WITH LESSOR; AND/OR (5) EXERCISE ANY OTHER REMEDY AVAILABLE TO LESSOR AT LAW. LESSOR'S WAIVER OF ANY EVENT OF DEFAULT SHALL NOT CONSTITUTE A WAIVER OF ANY OTHER EVENT OF DEFAULT OR A WAIVER OF ANY TERM OR CONDITION OF THIS LEASE AGREEMENT. NO RIGHT OR REMEDY REFERRED TO

HEREIN IS INTENDED TO BE EXCLUSIVE AND EACH MAY BE EXERCISED CONCURRENTLY OR SEPARATELY AND FROM TIME TO TIME. IN THE EVENT OF REPOSSESSION, LESSEE WAIVES ANY BOND POSTING REQUIREMENT. IF LESSOR REPOSSESSES THE EQUIPMENT, AND THE EQUIPMENT CONTAINS ANY PROPERTY OWNED OR POSSESSED BY LESSEE, THEN LESSEE AUTHORIZES LESSOR TO TAKE POSSESSION AND REMOVE AND DISPOSE OF SUCH PROPERTY AND LESSEE SHALL HAVE NO CLAIM AGAINST LESSOR FOR SUCH PROPERTY.

16. RETURN OF EQUIPMENT; TERMINATION OF LEASE. AT THE END OF THE MINIMUM LEASE BILLING PERIOD, OR ANY EXTENSION PERIOD, LESSEE SHALL TAKE ALL ACTIONS NECESSARY TO MAKE THE EQUIPMENT AVAILABLE TO LESSOR FOR RECOVERY USING LESSOR'S STANDARD EQUIPMENT AND PROCESS, INCLUDING WITHOUT LIMITATION REMOVING ALL PERSONAL PROPERTY OF LESSEE, LEAVING ANY ANCILLARY PRODUCTS IN THE EQUIPMENT, OPENING/UNLOCKING ANY ENCLOSURE, AND PROVIDING FULL ACCESS TO THE SITE AND EQUIPMENT. LESSEE SHALL BEAR ALL ADDITIONAL CHARGES INCURRED AS A RESULT OF ANY IMPEDIMENT TO LESSOR'S RECOVERY OF THE EQUIPMENT. LESSEE SHALL PROVIDE LESSOR WITH AT LEAST THIRTY (30) DAYS ADVANCE WRITTEN NOTICE OF THE RETURN OF THE EQUIPMENT. IN THE EVENT LESSEE DOES NOT PROVIDE THIRTY (30) DAYS ADVANCE WRITTEN NOTICE OF THE RETURN OF THE EQUIPMENT AND SUCH EARLIER PICK-UP OF THE EQUIPMENT IS REQUESTED BY LESSEE (AND CAN BE EFFECTED BY LESSOR), LESSEE SHALL REIMBURSE LESSOR FOR ANY RELATED COSTS ASSOCIATED WITH THE IMMEDIATE PICK-UP OF THE EQUIPMENT. THE EQUIPMENT SHALL BE RETURNED TO LESSOR IN THE SAME CONDITION AS DELIVERED TO LESSEE, REASONABLE ORDINARY WEAR AND TEAR EXCEPTED. TERMINATION WILL BECOME EFFECTIVE ONLY WHEN THE EQUIPMENT HAS BEEN RETURNED TO LESSOR AS HEREIN PROVIDED AND LESSEE HAS PAID LESSOR ALL UNPAID RENTAL AND OTHER CHARGES APPLICABLE TO THE EQUIPMENT. LESSEE HEREBY CONSENTS TO ENTRY BY LESSOR OR ITS DESIGNEES UPON THE PREMISES WHERE THE EQUIPMENT MAY BE LOCATED FOR RETURN OR REPOSSESSION OF THE EQUIPMENT. LESSOR SHALL NOT BE RESPONSIBLE FOR SITE RESTORATION, INCLUDING WITHOUT LIMITATION RESTORATION OF PLANTS OR LANDSCAPING. LESSOR SHALL NOT BE LIABLE FOR ANY DAMAGE TO ANY PERSONAL PROPERTY LEFT IN OR ON THE EQUIPMENT OR FOR KEEPING OR STORING ANY PERSONAL PROPERTY OF LESSEE LEFT IN OR ON THE EQUIPMENT. SUCH PROPERTY WILL BE DEEMED ABANDONED BY LESSEE. ANY ACCESSORIES AND ADDITIONS TO THE RETURNED EQUIPMENT SHALL BE DEEMED TO BE PART OF THE EQUIPMENT AND THE PROPERTY OF LESSOR. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, LESSEE SHALL REIMBURSE LESSOR FOR ANY AND ALL COSTS INCURRED RELATED TO THE RETURN OF THE EQUIPMENT AND IN REPAIRING CLEANING, OR OTHERWISE RESTORING THE EQUIPMENT TO ITS CONDITION WHEN DELIVERED IN ACCORDANCE WITH LESSOR'S STANDARD RATES.

17. LIMITED WARRANTY. FOR AS LONG AS LESSEE TIMELY MAKES ALL PAYMENTS DUE HEREUNDER, LESSOR WARRANTS THROUGHOUT THE TERM THAT IT WILL REPAIR STRUCTURAL OR MECHANICAL DEFECTS IN THE EQUIPMENT (EXCLUDING HVAC FILTERS, FIRE EXTINGUISHERS, FUSES/BREAKERS, LIGHT BULBS, OR OTHER ORDINARY COURSE REPAIRS OR MAINTENANCE), PROVIDED THAT LESSEE NOTIFIES LESSOR IN WRITING OF ANY DEFECTS, MALFUNCTIONS, OR LEAKS WITHIN TWO (2) BUSINESS DAYS OF THE OCCURRENCE THEREOF. IN ANY EVENT, THE LIABILITY OF LESSOR SHALL BE LIMITED

SOLELY TO THE REPAIRING OF DEFECTS IN THE EQUIPMENT. LESSOR SHALL HAVE NO LIABILITY FOR THE REPAIR OF ANY DEFECT OR CONDITION RESULTING FROM LESSEE'S RELOCATION OF THE EQUIPMENT, UTILITIES CONNECTION, ALTERATION OF THE EQUIPMENT, USE OF THE EQUIPMENT FOR A PURPOSE FOR WHICH IT WAS NOT INTENDED, VANDALISM, MISUSE OF THE EQUIPMENT, EXCESSIVE WEAR AND TEAR, FAILURE TO PROPERLY MAINTAIN THE HVAC SYSTEM AND/OR FAILURE TO PROVIDE TIMELY NOTICE TO LESSOR. THE REPAIR OF THE EQUIPMENT BY LESSOR DUE TO A DEFECT OR CONDITION RESULTING FROM ANY OF THE PRECEDING CAUSES SHALL RESULT IN ADDITIONAL CHARGES TO LESSEE. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, LESSOR DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, RELATED TO THE EQUIPMENT AND ANY MAINTENANCE OR REPAIR WORK PERFORMED BY LESSOR INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THERE ARE NO CONDITIONS, COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES OR OTHER PROVISIONS, EXPRESS OR IMPLIED, COLLATERAL, STATUTORY OR OTHERWISE, RELATING TO THE SUBJECT MATTER HEREOF EXCEPT AS PROVIDED HEREIN OR UNLESS EXPRESSLY CONSENTED TO IN WRITING BY BOTH LESSOR AND LESSEE.

18. LIMITATION OF LIABILITY. LESSEE'S EXCLUSIVE REMEDIES FOR LESSOR'S BREACH OF THIS LEASE ARE LIMITED TO THOSE SET FORTH IN THIS LEASE AGREEMENT. LESSEE AGREES THAT UNDER NO CIRCUMSTANCES SHALL LESSOR'S LIABILITY EXCEED THE TOTAL RENTAL AMOUNT FOR THE MINIMUM LEASE BILLING PERIOD (EXCLUDING TAXES). NOTWITHSTANDING ANY OTHER PROVISION HEREIN, LESSOR SHALL HAVE NO LIABILITY LIQUIDATED, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, COSTS, OR EXPENSES, INCLUDING WITHOUT LIMITATION LOST USE, PROFITS, OR BUSINESS OPPORTUNITIES, ARISING FROM THIS LEASE AGREEMENT, THE EQUIPMENT, THE WRITTEN WARRANTY, OR ANY OTHER CAUSE OR FACTOR.

19. MISCELLANEOUS. (A) TIME IS OF THE ESSENCE WITH RESPECT TO THIS LEASE AGREEMENT. (B) THIS LEASE AGREEMENT, WHEN SIGNED BY LESSEE, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES, SUPERSEDING AND REPLACING ALL PRIOR DOCUMENTS AND REPRESENTATIONS WITH RESPECT TO THE SUBJECT MATTER HEREOF. IT MAY ONLY BE AMENDED BY A DOCUMENT SIGNED BY BOTH PARTIES. THE TERMS OF ANY DOCUMENTS SUBMITTED BY LESSEE ARE SUPERSEDED AND REPLACED IN THEIR ENTIRETY BY THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT AND SHALL HAVE NO BINDING EFFECT UPON LESSOR, ITS AGENTS, AND ITS EMPLOYEES. ACKNOWLEDGEMENT BY LESSOR OF ANY LESSEE DOCUMENTS SHALL BE ONLY FOR LESSEE'S BILLING PURPOSES ONLY. (C) LESSEE SHALL NOT ASSIGN THIS LEASE AGREEMENT OR SUBLET THE EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR. THIS LEASE AGREEMENT SHALL BE BINDING UPON ANY ASSIGNEE OR SUCCESSOR OF LESSEE. LESSOR MAY ASSIGN ANY OF ITS RIGHTS, REMEDIES, RESPONSIBILITIES, AND/OR OBLIGATIONS HEREUNDER WITHOUT NOTICE TO LESSEE. LESSOR RESERVES THE RIGHT TO CHARGE LESSEE AND LESSEE AGREES TO PROMPTLY PAY FOR ANY EQUIPMENT, MATERIAL OR LABOR FURNISHED BY LESSOR WHICH IS NOT DESCRIBED IN THIS LEASE AGREEMENT AND/OR IN THE WILLIAMS SCOTSMAN PROPOSAL, IF APPLICABLE ("EXTRA WORK"); (D) IF ANY PROVISION OF THIS LEASE AGREEMENT IS DEEMED UNENFORCEABLE FOR ANY REASON, THEN SUCH PROVISION



SHALL BE DEEMED STRICKEN AND SHALL NOT AFFECT THE ENFORCEABILITY OF ANY OF ITS OTHER PROVISIONS. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IF IT SHOULD BE DETERMINED BY A COURT OF COMPETENT JURISDICTION THAT ANY INDEMNIFICATION OR OTHER PROTECTION AFFORDED TO AN INDEMNITEE UNDER SECTION 12 WOULD BE IN VIOLATION OF OR OTHERWISE PROHIBITED BY ANY APPLICABLE LAW, THEN SECTION 12 SHALL AUTOMATICALLY BE DEEMED TO BE AMENDED IN A MANNER WHICH PROVIDES THE MAXIMUM INDEMNIFICATION AND OTHER PROTECTIONS TO SUCH INDEMNITEE CONSISTENT WITH SUCH APPLICABLE LAW. (E) THE OBLIGATIONS OF LESSEE UNDER SECTIONS 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 18 AND 19 WHICH ACCRUE UPON EXECUTION OF THIS LEASE AGREEMENT, SHALL SURVIVE THE TERMINATION OF THIS LEASE AGREEMENT. (F) IF LESSEE FAILS TO PERFORM ANY OF ITS OBLIGATIONS HEREUNDER, LESSOR SHALL HAVE THE RIGHT TO SUBSTITUTE PERFORMANCE; THE AMOUNT OF ANY OUT-OF-POCKET AND OTHER REASONABLE EXPENSES OF LESSOR INCURRED IN CONNECTION WITH SUCH PERFORMANCE SHALL BE PAYABLE BY LESSEE UPON DEMAND. FAILURE OF LESSOR TO EXERCISE ANY RIGHT OR REMEDY HEREIN, OR THE WAIVER BY LESSOR OF ANY BREACH, SHALL NOT BE CONSTRUED AS THEREAFTER WAIVING ANY SUCH TERMS, COVENANTS, CONDITIONS, RIGHTS, OR REMEDIES. (G) LESSOR SHALL NOT BE RESPONSIBLE FOR DELAYS BEYOND ITS CONTROL. (H) THE DELIVERY, INSTALLATION, TAKEDOWN, RETURN AND/OR ANY WORK RELATED TO THE EQUIPMENT AS AGREED TO BY LESSOR AND LESSEE IN THE LEASE ORDER AGREEMENT OR ANY AMENDMENT THERETO WILL BE PERFORMED BY LESSOR USING ITS STANDARD WORKFORCE AND LABOR RATES UNLESS OTHERWISE AGREED TO IN WRITING BY LESSOR PRIOR TO THE PLACEMENT OF THE ORDER FOR THE EQUIPMENT. LESSEE AGREES THAT LESSOR MAY USE LESSOR SUBCONTRACTED WORKERS FOR THE PERFORMANCE OF ANY WORK. (I) LESSEE IRREVOCABLY APPOINTS LESSOR OR ITS AGENTS OR ASSIGNS AS LESSEE'S ATTORNEY-IN-FACT TO EXECUTE ANY UCC FINANCING STATEMENTS, DOCUMENTS, CHECKS, AND DRAFTS RELATED TO THE PAYMENT OF ANY LOSS, DAMAGE, OR DEFENSE UNDER POLICIES OF INSURANCE REQUIRED BY THIS LEASE AGREEMENT. (J) THIS LEASE AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED UNDER MARYLAND LAW. ALL LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS LEASE AGREEMENT SHALL BE FILED AND CONDUCTED EXCLUSIVELY IN A STATE OR FEDERAL COURT IN MARYLAND. LESSOR HEREBY RESERVES ITS COMMON LAW RIGHT OF OFFSET. LESSEE HEREBY WAIVES ANY AND ALL RIGHTS TO OR CLAIMS OF SOVEREIGN IMMUNITY AND LESSEE WAIVES ANY AND ALL RIGHTS GRANTED UNDER THE UCC. LESSEE HEREBY WAIVES ANY AND ALL RIGHTS TO A TRIAL BY JURY OF ANY CLAIM ARISING IN CONNECTION WITH THIS LEASE AGREEMENT. (K) LESSEE WILL PAY ALL COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, INCURRED BY LESSOR IN ENFORCING ANY TERMS, COVENANTS AND INDEMNITIES PROVIDED HEREIN. (L) EACH PARTY IS HEREBY AUTHORIZED TO ACCEPT AND RELY UPON A FACSIMILE SIGNATURE OR ELECTRONIC SIGNATURE OF THE OTHER PARTY ON THIS LEASE AGREEMENT OR ANY AMENDMENT HERETO, OR ON COUNTERPART COPIES OF THE FOREGOING DOCUMENTS. ANY SUCH SIGNATURE SHALL BE TREATED AS AN ORIGINAL SIGNATURE FOR ALL PURPOSES; HOWEVER NO SIGNATURE IS REQUIRED BY LESSOR. (L) EACH PARTY IS HEREBY AUTHORIZED TO ACCEPT AND RELY UPON DOCUMENTS IN PAPER OR ELECTRONIC FORMAT. (M) LESSOR MAY AMEND THESE TERMS AND CONDITIONS FROM TIME-TO-TIME AND SUCH AMENDED TERMS SHALL

BE EFFECTIVE THIRTY (30) DAYS AFTER NOTICE IS PROVIDED TO LESSEE. IF LESSEE DOES NOT OBJECT IN WRITING TO SUCH AMENDED TERMS BEFORE THEIR EFFECTIVE DATE, SUCH TERMS SHALL BE DEEMED TO TAKE PRECEDENCE.

28. WILLIAMS SCOTSMAN'S PRICING AND PROPOSAL EXCLUDE THE FOLLOWING:
  1. FIRE ALARM SYSTEM
  2. VOICE/DATA SYSTEM
  3. BARRICADES/WARNING DEVICES
  4. FURNITURE/CUBICLES/ PRICNG. WE HAVE EXCLUDED ALL APPLIANCES
  5. LEED REQUIREMENTS
  6. COLD WEATHER PROTECTION
  7. SOIL SAMPLING OR ENGINEERING
  8. SITE PLAN ENGINEERING
  9. BUILDING PERMITS, INCLUDING BUT NOT LIMITED TO DRAWINGS, EXPEDITOR, PERMIT FEES
  10. FENCING/BARRICADES
  11. SITE WORK (INCLUDING BUT NOT LIMITED TO EXCAVATION, GRADING, EROSION CONTROL, SWM, PARKING LOTS, SIDEWALKS)
  12. UTILITY LOCATOR COMPANIES/SERVICES
  13. FOUNDATIONS SOIL TREATMENT OF ANY KIND, TO INCLUDE BUT NOT LIMITED TO TERMITE, LIME, FERTILIZER, ETC.
  14. UTILITIES CRANING AND/OR SPECIAL EQUIPMENT TO PLACE THE MODULAR UNITS
  15. SEAMING OF FINISH FLOOR (SURFACE MOUNTED METAL CARPET BAR WILL BE USED)
  16. SEAMING OF ACOUSTICAL CEILING (SURFACE MOUNTED WOOD TRIM WILL BE USED)
  17. DUCT BANKS
  18. CONDITION OF MODULAR BUILDING (NEW BUILDING)
  19. FINAL CONNECTION/SEAMING OF SITE INSTALLED FIRE SPRINKLER SYSTEM
  20. MAINTENANCE
  21. MOVING OF TENANTS
  22. SIGNAGE (INTERIOR OR EXTERIOR)
  23. EQUIPMENT
  24. APPLIANCES
  25. CARD READERS
  26. ELECTRIC STRIKES
  27. EMERGENCY POWER, INCLUDING WIRING, DEVICES, BREAKERS, DISCONNECTS
  28. LIGHTNING PROTECTION
  29. RADIATION SHIELDING
  30. MASS NOTIFICATION SYSTEM
  31. P/A
  32. INTERCOM
  33. STC RATED DOORS
  34. EMERGENCY SHUT DOWN OF HVAC EQUIPMENT
  35. COMMISSIONING
  36. TAXES AND DAVIS BACON AND PREVAILING WAGES.



**Williams Scotsman, Inc.**  
325 Clark Road  
Jacksonville FL 32218-5507

**Your WillScot Representative**  
Tom Lott, Territory Sales Manager  
**Phone:** (904)378-0500  
**Email:** thomas.lott@willscot.com  
**Toll Free:** 800-782-1500

**Contract Number:** 1612615  
**Revision:** 3  
**Date:** March 08, 2022

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### Lease Agreement Summary - 1612615

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**Lessee:**  
IDEA Florida Inc  
5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

**Contact:**  
Lizzette Reynolds  
5001 N Nebraska Ave Ste A  
Tampa, FL 33603  
**Phone:** (512) 791-1017  
**Email:** lizzette@excelined.org

**Ship To Address:**  
2800 University Blvd N  
JACKSONVILLE, FL 32211 US

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### Product Descriptions

QTY	PRODUCT
1	SO6012

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### Pricing Summary - All Options (excluding taxes)

RECURRING CHARGES PER BILLING CYCLE:	\$1,532.00
INITIAL FEES:	\$9,682.43
FINAL CHARGES:	\$0.00
<b>TOTAL CHARGES WITH ALL OPTIONS:</b>	<b>\$20,406.43</b>

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### Comments

\*\*\*Pre-payment of last billing cycle of rent and/or services due on initial invoice\*\*\*Based on unit availability at time of order\*\*\*Floor plans provided with quote are renderings and may not be exact to scale\*\*\*Based on a standard installation and removal by truck on a flat and accessible site\*\*\*Based on Prevailing wage rates\*\*\*Utilities (Elec, Plumb, Data) by others\*\*\*No Footers have been quoted\*\*\* Special equipment required for install or removal at an additional cost (if needed)\*\*\*Engineered/Stamped drawings at an additional cost\*\*\*Permits by others\*\*\*Value-Added Package is included at no additional charge in quote, however, it may show as a line item on first invoice for inventory purposes. Will not be a monthly reoccurring charge unless you selected an add on at the time of order\*\*\*TAXES AND PERSONAL PROPERTY TAX ARE NOT INCLUDED IN QUOTE FIGURES\*\*\* • Pilots Cars may be required per local Transportation Authority. Should pilot cars be required for delivery you will be notified prior to delivery. • Quote is valid for 30 days.



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**Toll Free:** 800-782-1500

**Contract Number:** 1612615  
**Revision:** 3  
**Date:** March 08, 2022

## Lease Agreement

**Lessee: 0010503511**  
IDEA Florida Inc  
5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

**Contact:**  
Lizzette Reynolds  
5001 N Nebraska Ave Ste A  
Tampa, FL 33603  
Phone: (512) 791-1017  
Email: lizzette@excelined.org

**Ship To Address:**  
2800 University Blvd N  
JACKSONVILLE, FL 32211 US  
**Delivery Date (on or about): 05/02/2022**

### Rental Pricing Per Billing Cycle

	Quantity	Price	Extended
60x12 Sales Office (56x12 Box)	1		\$1,048.00
Prem OSHA Step & Canopy	1	\$85.00	\$85.00
ADA/IBC Ramp -w/ switchback	1	\$399.00	\$399.00

Minimum Lease Billing Period: 7

Billing Cycle: 28 Days

Total Recurring Building Charges: \$1,048.00

Subtotal of Other Recurring Charges: \$484.00

**Total Recurring Charges Per Billing Cycle: \$1,532.00**

### Delivery & Installation

Fuel Surcharge Delivery	1	\$69.30	\$69.30
Fuel Surcharge Return	1	\$69.30	\$69.30
Essentials Material Handling	1	\$200.00	\$200.00
Steps - Prem OSHA Removal	1	\$78.57	\$78.57
Steps - Prem OSHA Installation	1	\$78.57	\$78.57
State Approved Building Plans	1	\$875.00	\$875.00
Life Safety Plans	1	\$312.50	\$312.50
Ramp / Stair Plans	1	\$312.50	\$312.50
Ramp - Delivery & Installation	1	\$1,197.65	\$1,197.65
Ramp - Knockdown & Return	1	\$1,197.65	\$1,197.65
HVAC Filters	7	\$8.13	\$56.91
Delivery Freight	1	\$385.00	\$385.00
Block and Level	1	\$1,100.00	\$1,100.00
Teardown	1	\$450.00	\$450.00
Return Freight	1	\$385.00	\$385.00
Vinyl skirting	136	\$21.43	\$2,914.48

**Total Delivery & Installation Charges: \$9,682.43**

### Final Return Charges\*

**Due On Final Invoice\*: \$0.00**

**Total Including Recurring Billing Charges, Delivery, Installation & Return\*\*: \$20,406.43**

### Comments

Please note that for added value and time savings, the WS Mobile Office comes with Basic Cafe Package & DATA Hub. If you opt out of the Value-Added Package it will not change the price of the monthly lease price. Package includes: 1 mini-fridge, 1 coffee pot (12 cup), 1 microwave, 1 white board, 1 trash can (23 gal.), and convenience starter kit. This DATA Hub comes with: a pre-wired, ready for internet connection office solution.

### Summary of Charges

Model: SO6012	Quantity: 1	Total Charges for(1) Building(s): \$20,406.43
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**Additional Services:** For your convenience, we also recommend the following items (not included in this Agreement)

**BY INITIALING BELOW, BUYER/LESSEE/CUSTOMER HEREBY ACKNOWLEDGES AND CONFIRMS THAT IT HAS SELECTED THE INITIALED RECOMMENDED ITEMS TO BE ADDED TO THIS CONTRACT AND AGREES TO PAY THE ADDITIONAL SPECIFIED AMOUNT(S) IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS CONTRACT.**

Initial	Recommended Items	Billing Frequency	Qty	Price	Extended
_____	Property Damage Waiver (11/12) Alt	Recurring	1	\$108.00	\$108.00
_____	General Liability - Allen Insurance	Recurring	1	\$22.00	\$22.00





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## Insurance Requirements Addendum

QTY	PRODUCT	EQUIPMENT VALUE/BUILDING	DEDUCTIBLE PER UNIT
1	SO6012	\$33367.00	\$3000.00

### Lessee: IDEA Public Schools Florida

Pursuant to the Williams Scotsman Lease Agreement and its Terms and Conditions ("Agreement"), a Lessee is obligated to provide insurance to Williams Scotsman, Inc. ("Lessor") with the following insurance coverage:

1. **Commercial General Liability Insurance:** policy of combined bodily injury and property damage insurance insuring Lessee and Lessor against any liability arising out of the use, maintenance, or possession of the Equipment. Such insurance shall be in an amount not less than \$1,000,000 per occurrence, naming the Lessor as Additional Insured and Loss Payee.
2. **Commercial Property Insurance:** covering all losses or damage, in an amount equal to 100% of the Equipment Value set forth in the Lease providing protection against perils included within the classification and special extended perils (all "risk" insurance), naming the Lessor as Additional Insured and Loss Payee.

### Commercial General Liability Insurance

Lessee is providing Commercial General Liability Insurance in accordance with the requirements set forth in the Lease Agreement and Lessee shall provide a certificate of insurance in the manner and within the time frame set forth in the Agreement. If Lessee fails to deliver the required certificate of insurance, Lessee understands and agrees that the Lessor has the right to impose a missing insurance certificate fee.

### Commercial Property Insurance

Lessee is providing Commercial Property Insurance in accordance with the requirements set forth in the Lease Agreement and shall provide a certificate of insurance in the manner and within the time frame set forth in the Agreement. If Lessee fails to deliver the required certificate of insurance, Lessee understands and agrees that the Lessor has the right to impose a missing insurance certificate fee.

By signing below, the Lessee agrees to the terms and conditions stated herein. All other Terms and Conditions of the Agreement shall remain the same and in full force and effect. Each party is hereby authorized to accept and rely upon a facsimile or electronic signature of the other party on this Addendum. Any such signature shall be treated as an original signature for all purposes.

Otherwise, if elected on preceding pages:

### Commercial General Liability Insurance

Lessee elects to participate in the Commercial General Liability Insurance Program, whereby Lessee will receive insurance coverage through American Southern Insurance Company ("Insurer") and administered by Allen Insurance Group ("Agent"). The Lessee acknowledges and agrees that the policy issued by the Insurer is a third party liability policy that covers those amounts that Lessee is legally obligated to pay due to bodily insurance and property damage arising **from the proper use and occupancy** of Equipment leased from Williams Scotsman up to the policy limits. Coverage is subject to underwriting and specific terms and conditions set forth in the policy. An outline of cover is available upon request. By signing below, Lessee understands and agrees that the Lessor is not providing the insurance coverage and serves only as a billing agent for the Insurer and its Agent; and, accordingly, it assumes no liability therefore.

Signature of Lessee: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

### Damage Waiver Program

Lessee elects to participate in the Lessor's Damage Waiver Program. Lessee understands and agrees that under this program, the Lessor waives, for a fee, Lessee's obligation to carry Commercial Property Insurance and Lessee's liability to Lessor for repair or replacement of the modular units leased from Williams Scotsman resulting from loss or damage as specified in the Williams Scotsman Lease Agreement. Lessee remains liable to Williams Scotsman for the amount of the damage deductible per unit of equipment noted above. Please refer to the Agreement for specific details on coverage, exclusions and restrictions on coverage. The Property Damage Waiver is not and shall not constitute a contract for insurance.

Signature of Lessee: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_



Williams Scotsman, Inc.  
325 Clark Road  
Jacksonville FL 32218-5507

Your WillScot Representative  
Tom Lott, Territory Sales Manager  
Phone: (904)378-0500  
Email: thomas.lott@willscot.com  
Toll Free: 800-782-1500

Contract Number: 1612615  
Revision: 3  
Date: March 08, 2022

## Clarifications

**\*Final Return Charges are estimated and will be charged at Lessor's prevailing rate at time of return. \*\*All prices exclude applicable taxes. All Lessees and Leases are subject to credit review.** In addition to the stated prices, customer shall pay any local, state or provincial, federal and/or personal property tax or fees related to the equipment identified above ("Equipment"), its value or its use. Lessee acknowledges that upon delivery of the Equipment, this Agreement may be updated with the actual serial number(s), delivery date(s), lock serial number(s), etc, if necessary and Lessee will be supplied a copy of the updated information. Prices exclude taxes, licenses, permit fees, utility connection charges, site preparation and permitting which is the sole responsibility of Lessee, unless otherwise expressly agreed by Lessor in writing. Lessee is responsible for locating and marking underground utilities prior to delivery and compliance with all applicable code requirements unless otherwise expressly agreed by the Lessor in writing. Price assumes a level site with clear access. Lessee must notify Lessor prior to delivery or return of any potentially hazardous conditions or other site conditions that may otherwise affect delivery, installation, dismantling or return of any Equipment. Failure to notify Lessor of such conditions will result in additional charges, as applicable. Physical Damage & Commercial Liability insurance coverage is required beginning on the date of delivery. Lessor is not responsible for changes required by code or building inspectors. **Pricing is valid for thirty (30) days.**

Please note the following important billing terms:

- In addition to the first billing period rental and initial charges, last billing period rent for building and other recurring rentals/services (excluding General Liability Insurance and Property Damage Waivers), will be billed on the initial invoice. Any amounts prepaid to Williams Scotsman will be credited on the final invoice.
- Invoices are due on receipt, with a twenty (20) day grace period. Interest will be applied to all past due amounts.
- Invoices are due on receipt, with a twenty (20) day grace period. Late fees will be applied to all past due amounts.
- Williams Scotsman preferred method of payment is ACH. Payments made by check are subject to a Paper Check Fee, charged on the next invoice following payment by check.
- Williams Scotsman preferred method of invoicing is via electronic transmission. Customers are encouraged to provide an email address or use MMConnect. Invoices sent standard mail are subject to a paper invoice fee, charged on the following invoice.

Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor Modular Equipment and Value Added Products (as such items are defined in Lessor's General Terms & Conditions) selected by Lessee as set forth in this Agreement. All such items leased by the Lessee for purposes of this Lease shall be referred to collectively as the "Equipment". By its signature below, Lessee hereby acknowledges that it has read and agrees to be bound by the Lessor's General Terms & Conditions (11-22-21) located on Lessor's internet site (<https://www.willscot.com/About/terms-conditions>) in their entirety, which are incorporated herein by reference and agrees to lease the Equipment from Lessor subject to the terms therein. Although Lessor will provide Lessee with a copy of the General Terms & Conditions upon written request, Lessee should print copies of this Agreement and General Terms & Conditions for recordkeeping purposes. Each party is authorized to accept and rely upon a facsimile signature, digital, or electronic signatures of the other party on this Agreement. Any such signature will be treated as an original signature for all purposes and shall be fully binding. The undersigned represent that they have the express authority of the respective party they represent to enter into and execute this Agreement and bind the respective party thereby.

## Invoicing Options (select one)

### ☐ Paperless Invoicing Option

Williams Scotsman prefers electronic invoicing, an efficient, convenient and environmentally friendly process. To avoid fees, provide us with the proper email address for your invoices

Corrected Email  
Address: \_\_\_\_\_

### ☐ Standard Mail Option

Customer prefers to receive paper invoice via mail. Fees may apply. Invoices will be mailed to:

5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

Enter a new billing address: \_\_\_\_\_

## Signatures

Lessee: IDEA Florida Inc

Lessor: Williams Scotsman, Inc.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

PO#: \_\_\_\_\_

PLEASE RETURN SIGNED AGREEMENT TO: JAXLeases@willscot.com



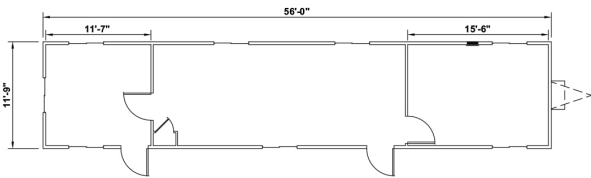
**Williams Scotsman, Inc.**  
325 Clark Road  
Jacksonville FL 32218-5507

**Your WillScot Representative**  
Tom Lott, Territory Sales Manager  
**Phone:** (904)378-0500  
**Email:** thomas.lott@willscot.com  
**Toll Free:** 800-782-1500

**Contract Number:** 1612615  
**Revision:** 3  
**Date:** March 08, 2022

**Floorplan**

*60' x 12' Mobile Office*



**Dimensions**

- 60' Long (including hitch)
- 56' Box size
- 12' Wide
- 8' Ceiling height

**Exterior Finish**

- Aluminum siding
- I-Beam frame
- Standard drip rail gutters

**Interior Finish**

- Paneled walls
- Carpet or vinyl tile floor
- Gypsum or T-grid suspended ceiling

**Electric**

- Fluorescent ceiling lights
- Breaker panel

**Heating/Cooling**

- Central HVAC or thru-wall AC

**Windows/Doors**

- Horizontal slider windows
- (2) Vision panel door with standard lock or (2) steel door with dead bolt lock

**Other**

- Private office(s)
- Optional restroom

\* Photos are representational; actual products vary. Additional floor plans and specifications may vary from those shown and are subject to in-stock availability

800.782.1500 | willscot.com



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**Phone:** (904)378-0500  
**Email:** thomas.lott@willscot.com  
**Toll Free:** 800-782-1500

**Contract Number:** 1619992

**Revision:** 3

**Date:** March 22, 2022

## Lease Agreement

**Lessee: 0010503511**  
IDEA Florida Inc  
5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

**Contact:**  
Lizzette Reynolds  
5001 N Nebraska Ave Ste A  
Tampa, FL 33603  
Phone: (512) 791-1017  
Email: lizzette@excelined.org

**Ship To Address:**  
2800 University Blvd N  
JACKSONVILLE, FL 32211 US  
**Delivery Date (on or about): 05/30/2022**

### Rental Pricing Per Billing Cycle

	Quantity	Price	Extended
40x24 Classroom (36x24 Box)	1		\$961.00
ADA/IBC Ramp -w/ switchback	1	\$399.00	\$399.00

Minimum Lease Billing Period: 7

Billing Cycle: 28 Days

Total Recurring Building Charges: \$961.00

Subtotal of Other Recurring Charges: \$399.00

**Total Recurring Charges Per Billing Cycle: \$1,360.00**

### Delivery & Installation

Fuel Surcharge Delivery	1	\$1,038.67	\$1,038.67
Fuel Surcharge Return	1	\$1,038.67	\$1,038.67
Essentials Material Handling	1	\$115.50	\$115.50
State Approved Building Plans	1	\$875.00	\$875.00
Life Safety Plans	1	\$312.50	\$312.50
Ramp / Stair Plans	1	\$312.50	\$312.50
Ramp - Delivery & Installation	1	\$1,197.65	\$1,197.65
Ramp - Knockdown & Return	1	\$1,197.65	\$1,197.65
HVAC Filters	7	\$8.13	\$56.91
Hitch removal	2	\$562.50	\$1,125.00
Hitch installation	2	\$562.50	\$1,125.00
Delivery Freight	2	\$1,923.46	\$3,846.92
Block and Level	1	\$5,228.54	\$5,228.54
Teardown	1	\$2,800.00	\$2,800.00
Return Freight	2	\$1,923.46	\$3,846.92
Vinyl skirting	120	\$22.36	\$2,683.20

**Total Delivery & Installation Charges: \$26,800.63**

### Final Return Charges\*

**Due On Final Invoice\*: \$0.00**

**Total Including Recurring Billing Charges, Delivery, Installation & Return\*\*: \$36,320.63**

### Comments

Please note that for added value and time savings, the WS Mobile Office comes with Basic Cafe Package & DATA Hub. If you opt out of the Value-Added Package it will not change the price of the monthly lease price. Package includes: 1 mini-fridge, 1 coffee pot (12 cup), 1 microwave, 1 white board, 1 trash can (23 gal.), and convenience starter kit. This DATA Hub comes with: a pre-wired, ready for internet connection office solution.

### Summary of Charges

Model: CL4024	Quantity: 1	Total Charges for(1) Building(s): \$36,320.63
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Jacksonville FL 32218-5507

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**Phone:** (904)378-0500  
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**Toll Free:** 800-782-1500

**Contract Number:** 1619992  
**Revision:** 3  
**Date:** March 22, 2022

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### Insurance Requirements Addendum

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QTY	PRODUCT	EQUIPMENT VALUE/BUILDING	DEDUCTIBLE PER UNIT
1	CL4024	\$38395.00	\$4000.00

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**Lessee:** IDEA Public Schools Florida

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- 

#### Commercial General Liability Insurance

---

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#### Commercial Property Insurance

---

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---

**FOR INFORMATIONAL PURPOSE ONLY: Please forward this document to your insurance carrier.**



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Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor Modular Equipment and Value Added Products (as such items are defined in Lessor's General Terms & Conditions) selected by Lessee as set forth in this Agreement. All such items leased by the Lessee for purposes of this Lease shall be referred to collectively as the "Equipment". By its signature below, Lessee hereby acknowledges that it has read and agrees to be bound by the Lessor's General Terms & Conditions (11-22-21) located on Lessor's internet site (<https://www.willscot.com/About/terms-conditions>) in their entirety, which are incorporated herein by reference and agrees to lease the Equipment from Lessor subject to the terms therein. Although Lessor will provide Lessee with a copy of the General Terms & Conditions upon written request, Lessee should print copies of this Agreement and General Terms & Conditions for recordkeeping purposes. Each party is authorized to accept and rely upon a facsimile signature, digital, or electronic signatures of the other party on this Agreement. Any such signature will be treated as an original signature for all purposes and shall be fully binding. The undersigned represent that they have the express authority of the respective party they represent to enter into and execute this Agreement and bind the respective party thereby.

## Invoicing Options (select one)

### ☐ Paperless Invoicing Option

Williams Scotsman prefers electronic invoicing, an efficient, convenient and environmentally friendly process. To avoid fees, provide us with the proper email address for your invoices

Corrected Email  
Address: \_\_\_\_\_

### ☐ Standard Mail Option

Customer prefers to receive paper invoice via mail. Fees may apply. Invoices will be mailed to:

5001 N Nebraska Ave Ste A  
Tampa, Florida 33603

Enter a new billing address: \_\_\_\_\_

## Signatures

**Lessee:** IDEA Florida Inc

**Lessor:** Williams Scotsman, Inc.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

PO#: \_\_\_\_\_

**PLEASE RETURN SIGNED AGREEMENT TO: JAXLeases@willscot.com**





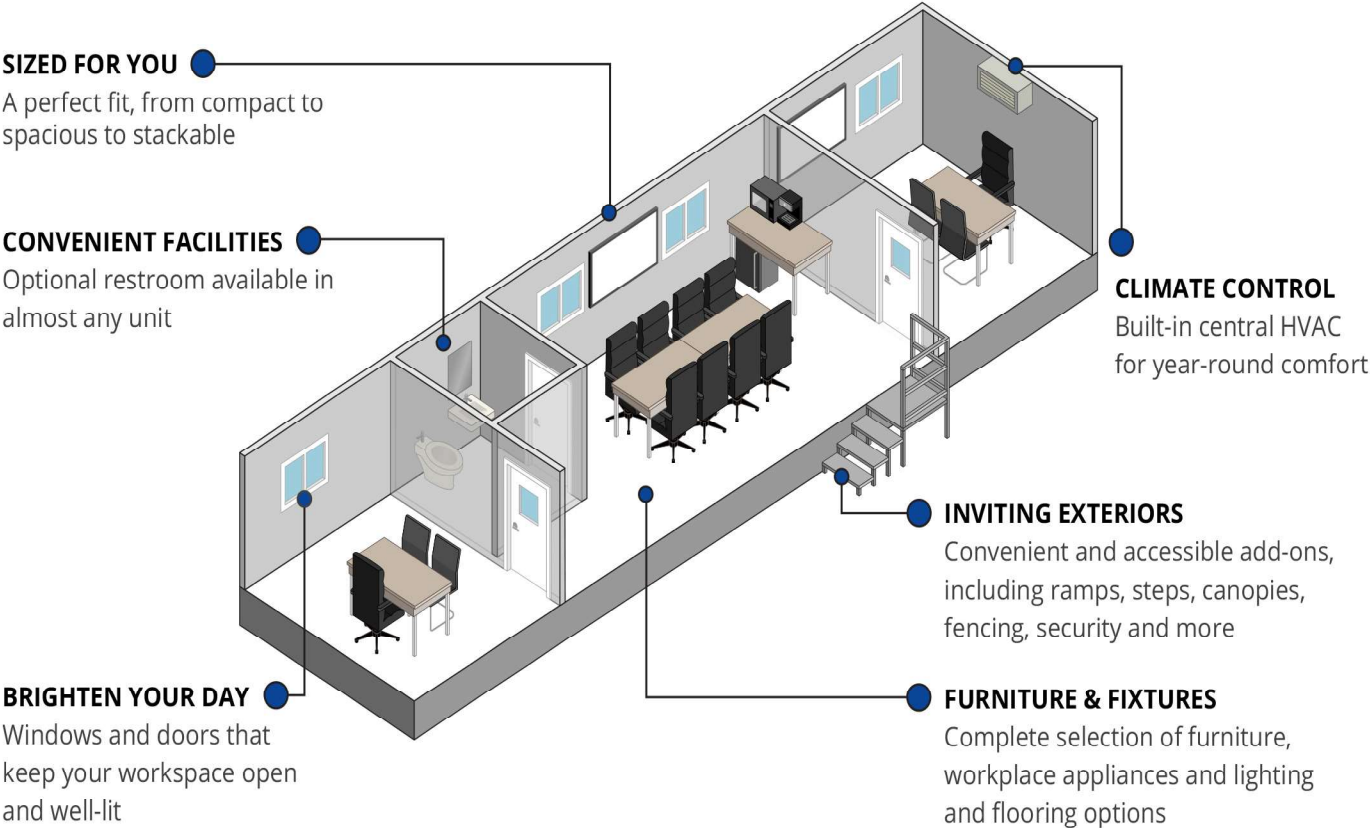
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**Date:** March 22, 2022

# WILLSCOT: THE FULLY STREAMLINED SPACE SOLUTION

When it's time to be productive on a project, you need temporary space that's as ready as you are. Our modular solutions are complete to the last detail, so you can forget about building logistics and focus on the job at hand.  
One call to WillScot and you're ready to work



## READY-TO-WORK OPTIONS

Our in-house selection of amenities not only outfits your space for comfort, security and productivity - it also eliminates extra work for you.



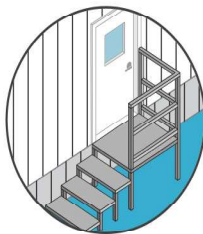
**FURNITURE**



**APPLIANCES**



**TECHNOLOGY**



**EXTERIORS**



**COVERAGE**

**IDEA Florida**  
**Board Action Item**  
**March 24, 2022**

**Subject:** Lease Agreement Between IDEA Florida, Inc. and IPS Enterprises, Inc. for Property in Tampa, Florida

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**Proposed Board Action:** For Approval

**Executive Summary:**

IPS Enterprises, Inc., a Texas nonprofit corporation is seeking to obtain financial arrangements for IDEA Florida, Inc.'s Tampa Hart Pond Campus, located at or about 9839 Skewlee Road, Thonotosassa, Florida, 33592 (the "Tampa III Financing"). Because IPS Enterprises, Inc. is an established organization with strong financial history, it can obtain optimal financing arrangements. IPS Enterprises, Inc. will own the real estate and obtain debt to acquire, construct, and equip education facilities at the Hart Pond Campus. The lease payments that IDEA Florida, Inc. pays to IPS Enterprises, Inc. pursuant to the Lease Agreement will be used to pay the debt service associated with the financing.

The Lease Agreement is an agreement between IDEA Florida, Inc. and IPS Enterprises, Inc. in which IPS Enterprises, Inc. agrees to provide the facilities and IDEA Florida, Inc. agrees to pay the lease revenues according to the repayment schedules (the repayment schedules are not yet finalized). The Lease Agreement between IDEA Florida, Inc. and IPS Enterprises, Inc. is made pursuant to a senior loan from CLI Capital, a Texas real estate investment trust and a subordinate loan from the Florida Department of Education both loaned to IPS Enterprises, Inc. IDEA Florida, Inc. will be the guarantor of both the senior and subordinate loans. The senior loan and subordinate loan will be issued in an aggregate principal amount not to exceed \$30,000,000, however the final loan amounts and interest rates have not been finalized (the **draft** Sources and Uses distributed on 2/16/22 reflects a tentative senior loan amount of \$17,590,022 a taxable rate of 5.50% and a subordinate loan amount of \$8,673,535 and taxable rate of 1.09%). The aggregate principal amount of the loans will not exceed \$30,000,000. The loan will have a bifurcated closing. As such, the senior loan is currently set to close on March 29, 2022. The subordinate loan will close at a later date (date is still pending). In addition to the resolution and lease, the documents below will need to be signed by the Authorized Representative of IDEA Florida, Inc., as defined in the resolution, for the senior and subordinate loan closing (HAK will prepare the signature packet with all required documents and provide instructions on signing):

---

**Supporting Documentation:** See board packet.



**TAMPA III SENIOR TAXABLE LOAN**  
**(the “*Loan*”)**

**By**

**CLI Capital**  
**(the “*Lender*”)**

**to**

**IPS Enterprises, Inc.**  
**(the “*Borrower*”)**

**dated**  
**March 29, 2022**

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**BORROWER'S CLOSING CERTIFICATE**  
**(IPS Enterprises, Inc. – Tampa III)**

Capitalized terms utilized in the Borrower's Closing Certificate and not otherwise defined herein shall have the meanings assigned thereto in the Loan Agreement (the "Agreement") dated as of March 29, 2022, by and among CLI Capital (the "Lender") and IPS Enterprises, Inc. (the "Borrower"). I, the Authorized Representative of the Borrower, acting solely in my official capacity, hereby certify as follows:

- a. the representations and warranties of the Borrower contained in Agreement are true and correct in all material respects as of the date thereof and as of the date hereof and the Borrower has performed all of its obligations under the Agreement required to be performed at or prior to the Closing Date;
- b. the Borrower is duly organized, validly existing and in good standing under the laws of the state of Texas and has the power and authority to own and operate its assets and to conduct its business as now or proposed to be carried on, and is duly qualified, licensed and in good standing to do business in all jurisdictions where its ownership of property or the nature of its business requires such qualification or licensing. The Borrower is duly authorized to execute and deliver the Loan Documents, all necessary action to authorize the execution and delivery of the Loan Documents has been properly taken, and the Borrower is and will continue to be duly authorized to borrow under the Agreement and to perform all of the other terms and provisions of the Loan Documents;
- c. the Borrower has not suffered any damage, destruction or loss, and no event or condition has occurred or exists, which has resulted or could reasonably be expected to result in a material adverse change in its business, assets, operations, condition (financial or otherwise) or results of operation;
- d. the Borrower has power and authority to enter into the transactions provided for in the Agreement and has been duly authorized to do so by appropriate action of its members and/or managers, as applicable, or otherwise as may be required by law, charter, other organizational documents or agreements; and the Loan Documents, when executed and delivered by the Borrower, constitute the legal, valid and binding obligations of the Borrower enforceable in accordance with their terms;
- e. there does not exist any Default or Event of Default under the Agreement or any default or violation by the Borrower of or under any of the terms, conditions or obligations of: (i) its articles or certificate of organization and operating agreement, or its other organizational documents as applicable; (ii) any indenture, mortgage, deed of trust, franchise, permit, contract, agreement, or other instrument to which it is a party or by which it is bound; or (iii) to the Borrower's knowledge, any law, ordinance, regulation, ruling, order, injunction, decree, condition or other requirement applicable to or imposed upon it by any law, the action of any court or any governmental authority or agency; and the consummation of the Agreement

and the transactions set forth in the Agreement will not result in any such default or violation or Event of Default;

- f. the Borrower has good and indefeasible title to all of its assets, including the Property, free and clear of all liens and encumbrances, except for (i) liens in favor of the Lender and Subordinate Lender, including the Mortgage and the Second Lien Mortgage; (ii) current taxes and assessments not yet due and payable; (iii) assets disposed of by the Borrower in the ordinary course of business; and (iv) those liens or encumbrances, if any, specified on the Addendum to the Agreement, or otherwise recorded in the applicable public records of Duval County, Florida prior to the time the Security Documents are recorded in said public records;
- g. there are no actions, suits, proceedings or governmental investigations pending or, to the knowledge of the Borrower, threatened against the Borrower, which are likely to result in a material adverse change in its business, assets, operations, condition (financial or otherwise) or results of operations and there is no basis known to the Borrower for any action, suit, proceeding or investigation which is likely to result in such a material adverse change except any pending litigation against the Borrower listed on the Addendum to the Agreement;
- h. the Borrower has filed, or will file when due, all returns and reports that are required to be filed by it in connection with any federal, state or local tax, duty or charge levied, assessed or imposed upon it or its property or withheld by it, including income, unemployment, social security and similar taxes, and all of such taxes shall be timely paid.
- i. each employee benefit plan as to which the Borrower may have any liability complies in all material respects with all applicable provisions of the Employee Retirement Income Security Act of 1974 (as amended from time to time, "ERISA"), including minimum funding requirements, and (i) no Prohibited Transaction (as defined under ERISA) has occurred with respect to any such plan; (ii) no Reportable Event (as defined under Section 4043 of ERISA) has occurred with respect to any such plan which would cause the Pension Benefit Guaranty Corporation to institute proceedings under Section 4042 of ERISA; (iii) the Borrower has not withdrawn from any such plan or initiated steps to do so; and (iv) no steps have been taken to terminate any such plan;
- j. to the knowledge of Borrower, the Borrower is in compliance, in all material respects, with all Environmental Laws (as hereinafter defined), including, without limitation, all Environmental Laws in jurisdictions in which the Borrower owns or operates, or has owned or operated, a facility or site, stores collateral, arranges or has arranged for disposal or treatment of hazardous substances, solid waste or other waste, accepts or has accepted for transport any hazardous substances, solid waste or other wastes or holds or has held any interest in real property or otherwise. Except as otherwise disclosed on the Addendum to the Agreement, no litigation or proceeding arising under, relating to or in connection with any Environmental Law is pending or, to the best knowledge of the Borrower, threatened against the

Borrower, any real property in which the Borrower holds or has held an interest or any past or present operation of the Borrower. No release, threatened release or disposal of hazardous waste, solid waste or other wastes is occurring, or to the best knowledge of the Borrower has occurred, on, under or to any real property in which the Borrower holds or has held any interest or performs or has performed any of its operations, in violation of any Environmental Law;

- k. the Borrower owns or is licensed to use, if any, all patents, patent rights, trademarks, trade names, service marks, copyrights, intellectual property, technology, know-how and processes necessary for the conduct of its business as currently conducted that are material to the condition (financial or otherwise), business or operations of the Borrower;
- l. no part of the proceeds of any Loan will be used for “purchasing” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time in effect or for any purpose which violates the provisions of the Regulations of such Board of Governors;
- m. as of the date hereof and after giving effect to the transactions contemplated by the Loan Documents, (i) the aggregate value of the Borrower’s assets will exceed its liabilities (including contingent, subordinated, unmatured and unliquidated liabilities); (ii) the Borrower will have sufficient cash flow to enable it to pay its debts as they become due; and (iii) the Borrower will not have unreasonably small capital for the business in which it is engaged;
- n. none of the Loan Documents contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary in order to make the statements contained in the Agreement or the Loan Documents not misleading. There is no fact known to the Borrower which materially adversely affects or, so far as the Borrower can now foresee, is likely to materially adversely affect the business, assets, operations, condition (financial or otherwise) or results of operation of the Borrower and which has not otherwise been fully set forth in this Agreement or in the Loan Documents;
- o. the Borrower is currently leasing or will lease the Property to IDEA Florida, Inc. pursuant to a Lease Agreement dated as March 29, 2022 by and between Borrower as Landlord and IDEA Florida, Inc. as Tenant

EXECUTED ON BEHALF OF THE BORROWER as of March 29, 2022.

IPS ENTERPRISES, INC.

By: \_\_\_\_\_

Name: Leanne Hernandez

Title: Chief Financial Officer



**LESSEE'S CLOSING CERTIFICATE**  
**(IDEA Florida, Inc.)**

Capitalized terms utilized in the Company's Closing Certificate and not otherwise defined herein shall have the meanings assigned thereto in the Lease Agreement (the "Agreement") dated as of March 29, 2022, by and among IDEA Florida, Inc. ("Company") and IPS Enterprises, Inc. I, the Authorized Representative of the Company, acting solely in my official capacity, hereby certify as follows:

1. Attached hereto as **Exhibit A** is a true and correct copy of the Articles of Incorporation of the Company, as amended, in effect as of the date hereof.
2. Attached hereto as **Exhibit B** is a true and correct copy of the bylaws of the Company in effect as of the date hereof.
3. Attached hereto as **Exhibit C** are true, full and correct copies of a certain resolution adopted at a meeting of the Board of Directors of the Company, duly called and held on March 24, 2022, and said resolution has not been rescinded, modified or amended and remains in full force and effect on the date hereof.
4. Attached hereto as **Exhibit D** are copies of the certificate from the Secretary of State of the State of Florida, certifying as to the corporate existence of the Company.

EXECUTED ON BEHALF OF THE BORROWER as of March 29, 2022

IDEA FLORIDA, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A – Articles of Incorporation  
EXHIBIT B – Bylaws  
EXHIBIT C – Resolution  
EXHIBIT D – Certificate of Status

**EXHIBIT A**

**Articles of Incorporation**

## **EXHIBIT B**

### **Bylaws**

## **EXHIBIT C**

### **Resolution**



**EXHIBIT D**  
**Certificates of Status**

# INDEMNITY AND AFFIDAVIT AS TO DEBTS, LIENS, AND POSSESSION

BORROWER: IPS ENTERPRISES, INC., a Texas corporation, (hereinafter referred to as "Borrower")  
SUBJECT PROPERTY: See Exhibit "A" attached hereto and made a part hereof for all purposes.

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority on this day personally appeared

\_\_\_\_\_, \_\_\_\_\_ of  
IPS ENTERPRISES, INC., a Texas corporation  
Borrower

personally known to me to be the person who name is subscribed hereto and upon his oath deposes and says that no proceedings in bankruptcy or receivership have been instituted by or against Borrower and represents to CLI CAPITAL, Lender in this transaction, that relative to the Subject Property and Borrower, to his knowledge, there are:

1. **No unpaid debts** for plumbing fixtures, water heaters, floor furnaces, air conditioners, radio or television antennae, carpeting, rugs, lawn sprinkling systems, venetian blinds, window shades, draperies, electric appliances, fences, street paving, computers, or any personal property or fixtures that are located on the subject property described above which is part of the collateral for the loan, and that no such items have been purchased on time payment contracts, and there are no security interests on such property secured by financing statement, security agreement or otherwise **except** the following:

Secured Party	Approximate Amount
<u>None</u>	_____

2. **No loans or liens** (including Federal or State Liens and Judgement Liens) and no unpaid governmental or association taxes or assessments of any kind on Subject Property or other property of Borrower **except** the following:

Creditor	Approximate Amount
<u>None</u>	_____

3. All labor and material used in the construction of improvements on the Subject Property have been paid for and there are now no unpaid labor or material claims against the improvements or the Subject Property upon which same are situated, and I hereby declare that all sums of money due for the erection of improvements have been fully paid and satisfied.

4. No parties in possession other than Borrower except as follows: None.  
If any or all of the above spaces are left blank, it will be deemed an affirmative representation by you that the answer to the preceding questions is NONE.

5. There are no judgments against Borrower and no pending or threatened causes of action, suits, administrative or enforcement actions or otherwise, nor is Borrower the subject of any bankruptcy action, either voluntary or involuntary.

INDEMNITY: BORROWER AGREES TO PAY ON DEMAND TO THE LENDER IN THIS TRANSACTION, THEIR SUCCESSORS AND ASSIGNS, ALL AMOUNTS SECURED BY ANY AND ALL LIENS NOT SHOWN ABOVE, TOGETHER WITH ALL COSTS, LOSS AND REASONABLE ATTORNEY'S FEES THAT SAID PARTIES MAY INCUR IN CONNECTION WITH SUCH UNMENTIONED LIENS, PROVIDED SAID LIENS EITHER CURRENTLY APPLY TO SUCH PROPERTY, OR A PART THEREOF, OR ARE SUBSEQUENTLY ESTABLISHED AGAINST SAID PROPERTY AND ARE CREATED BY BORROWER, KNOWN BY BORROWER, OR HAVE AN INCEPTION DATE PRIOR TO THE CONSUMMATION OF THIS TRANSACTION.

Borrower realizes that the Lender in this transaction is relying on the representations contained herein in lending money thereon and would not lend money thereon unless said representations were made. I have authority to sign on behalf of Borrower.

Signed this \_\_\_\_ day of March, 2022.

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of March, 2022.

\_\_\_\_\_  
Notary Public, State of Texas

\*NOTE: This form is to be filled in and signed by Borrower.

## **DISCLAIMER OF ORAL AGREEMENTS**

### **I.**

## **DISCLAIMER OF ORAL AGREEMENTS**

CLI CAPITAL ("LENDER") and IPS ENTERPRISES, INC., a Texas corporation, ("BORROWER"), hereinafter the "Parties", have entered into a transaction generally described as a Loan Agreement. In conjunction with this transaction, the parties have executed one or more deeds of trust, mortgages, security agreements, notes, agreements, financing statements, and other documents or instruments (the "Documents"). It is the intention of the Parties that this Disclaimer be incorporated by reference into each of the Documents so executed for this transaction.

The Parties warrant and represent that the entire agreement made between the parties is contained within the executed Documents, as amended and supplemented hereby, and that no agreements or promises exist between the Parties that are not reflected in the language of the various Documents executed in conjunction with this transaction.

**THE WRITTEN AGREEMENT REPRESENTS THE FINAL  
AGREEMENT BETWEEN THE PARTIES AND MAY NOT  
BE CONTRADICTED BY EVIDENCE OF PRIOR,  
CONTEMPORANEOUS, OR SUBSEQUENT ORAL  
AGREEMENTS OF THE PARTIES.**

**THERE ARE NO UNWRITTEN ORAL AGREEMENTS  
BETWEEN THE PARTIES.**

In this Disclaimer of Oral Agreements, the term "agreement" means actions, promises, agreements, undertakings, documents, or other instruments or any combination of those actions or instruments or documents.

II.

WAIVER OF CONSUMER RIGHTS

THE UNDERSIGNED BORROWER HEREBY WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., OF THE TEXAS BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTING WITH AN ATTORNEY OF BORROWER'S OWN SELECTION, THE UNDERSIGNED BORROWER VOLUNTARILY CONSENTS TO THIS WAIVER.

Dated this \_\_\_\_ day of March, 2022.

CLI CAPITAL

BY: \_\_\_\_\_  
Jason Hall, President

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

## ERRORS AND OMISSIONS/COMPLIANCE AGREEMENT

The undersigned, in consideration of a certain loan transaction (the "Loan") from CLI CAPITAL (the "Lender") to IPS ENTERPRISES, INC., a Texas corporation, (the "Borrower"), as evidenced by a certain promissory note and other loan documents of even date herewith ("Loan Documentation"), agree, if requested by the Lender, to fully cooperate in signing, executing, re-signing, and/or re-executing, or arranging for the same with respect to, any and all Loan Documentation or any other documentation in connection with this transaction ("Transaction Documentation"), for the purpose of correcting errors in such documents if deemed necessary or desirable in the reasonable discretion of the Lender.

The undersigned do hereby so agree and covenant in order to assure the correctness of all Loan Documentation and Transaction Documentation, so that the same will conform and be acceptable to the Lender and any transferee of its interest in and to said Loan Documentation and Transaction Documentation.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of this \_\_\_\_ day of March, 2022.

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

**DISBURSEMENT AGREEMENT  
(Tampa 3)**

**THIS DISBURSEMENT AGREEMENT**, dated as of [CLOSING DATE], 2022, (this “Agreement” or the “Disbursement Agreement”), is made and entered into by and among **IPS Enterprises, Inc.**, a Texas nonprofit corporation (the “Borrower”), and the **Florida Department of Education** (the “State” or the “Lender”), and **Building Hope Finance**, a District of Columbia not for profit corporation (the “Loan Administrator”) with reference to the following facts:

**WHEREAS**, the Borrower and the Lender have entered into a Loan Agreement, dated as of [DATE], 2022 (the “Loan Agreement”), pursuant to which the Lender will make a loan to the Borrower in the amount of \$8,763,535 (the “Loan”) for the purpose of financing the acquisition and construction of the Project and for other permitted uses as further described in the Loan Agreement;

**WHEREAS**, the parties are entering into this Agreement to set forth the terms and conditions upon which Borrower’s requisitions of the proceeds of the Loan will be approved and disbursed by the Loan Administrator ; and

**WHEREAS**, the execution and delivery of this Agreement is a condition precedent to the funding of the Loan under the Loan Agreement;

**NOW, THEREFORE**, the parties hereto agree as follows:

**Section 1. Definitions.** Capitalized terms used and not otherwise defined in this Agreement shall have the same respective meanings given to such terms in the Loan Agreement. In addition the following terms shall have the following respective meanings (such definitions to be equally applicable to the singular and plural forms of the defined terms):

“*Advance*” means (i) with respect to amounts paid or payable to the Contractor, Contractor’s invoice to be delivered by the Borrower or the Inspecting Architect to the Loan Administrator as a condition to the Loan Administrator approving an Advance, in such form and certified by such parties as required by the Loan Administrator, together with such schedules, affidavits, releases, waivers, statements, invoices, bills, and other documents, certificates and information as may be required by the Loan Administrator; or (ii) with respect to amounts paid or payable to parties other than the Contractor, a written request substantially in the form of Exhibit D to this Agreement, signed by the Borrower and accompanied by copies of invoices or such other supporting documentation as the Loan Administrator may reasonably require; or (iii) with respect to the Borrower, each disbursement of Loan proceeds that is approved and disbursed by the Loan Administrator, to be applied to, or reimbursed to the Borrower for, the costs identified in the Development Budget, subject to the terms and conditions of this Agreement.

“*Assignment of Construction Contract*” means that Assignment of Construction Contract and Development Documents dated as of [ ], 2022, with respect to the Construction Contract by the Borrower in favor of the Lender, consented to by the Contractor.

“*Borrower’s Funds*” shall have the meaning set forth in Section 2(f)(iii) hereunder.



*“Borrower’s Funds Account”* shall mean the separate account established in the name of the Loan Administrator to which Borrower’s Funds received by the Loan Administrator are credited pursuant to Section 2(f)(iii) hereunder; provided, with the prior written consent of the Lender or the Loan Administrator, such Borrower’s Funds Account may be held in the name of the Borrower.

*“Change Order”* means any change or supplement to the Plans, Construction Contract, if any, or subcontract as permitted by this Agreement or the Senior Loan Documents.

*“Collateral Documents”* means the Lease, Second Lien Mortgage and Security Agreement with Assignment of Rents and Leases dated as of [DATE] 2022, executed by the Borrower for the benefit of the Lender; the Assignment of Construction Contract; and any other agreement pursuant to which the Borrower provides a lien on its assets in favor of the Lender and all financing statements and other filings, documents and agreements made or delivered pursuant thereto.

*“Completion Date”* means the earlier of [ ], or the date on which the Inspecting Architect issues a certificate to the Lender stating that the Improvements have been completed in accordance with the Plans.

*“Construction Contract”* means the agreement between the Borrower and the Contractor relating to the construction or rehabilitation of the Improvements.

*“Construction Costs”* means all costs approved by and disbursed by the Loan Administrator relating to the acquisition and construction or rehabilitation of the Improvements or otherwise pertaining to the Project, as set forth in the Development Budget.

*“Construction Event of Default”* has the meaning give to that term in Section 5.

*“Contractor”* means [Project Management Services, Inc., a Texas corporation], or such other contractor as may be approved by the Lender or the Loan Administrator, or the Borrower acting in the capacity of general contractor.

*“Costs of the Project”* means all hard and soft costs, including Construction Costs, relating to construction of the Project in accordance with the Plans, all as permitted or otherwise contemplated by the Loan Agreement.

*“Development Budget”* means the cost itemization (to be attached hereto as Exhibit B) of the total amount needed by the Borrower to rehabilitate or construct the Improvements and to perform the Borrower’s other obligations under the Loan Documents, which itemization may be amended from time to time in accordance with Section 2.

*“Improvements”* means all improvements hereafter constructed and/or installed on the Real Property in accordance with the Plans and, subject to the terms of the and the Loan Agreement, all replacements, repairs, additions, and modifications thereof or thereto.

*“Inspecting Architect”* means Construction Inspection Specialists, LLC, a California limited liability company, or such other architect as may be approved by the Lender or the Loan Administrator.

“*Lease*” means the Lease Agreement made as of [DATE], 2022 between the Borrower, as Landlord and IDEA Florida, as Tenant.

“*Loan*” has the meaning set forth in the recitals hereto.

“*Loan Proceeds*” shall have the meaning set forth in Section 2(a) hereunder.

“*Loan Proceeds Account*” shall have the meaning set forth in Section 2(a) hereunder.

“*Permitted Encumbrance*” means any easements, encumbrances or restrictions listed on the schedule of exceptions in the Title Policy.

“*Plans*” or “*Plans and Specifications*” means the final plans and specifications for construction or rehabilitation of the Improvements (including any applicable general conditions), prepared by the Contractor and all amendments and modifications thereof made pursuant to Change Orders.

“*Project*” means the Real Property and the Improvements.

“*Real Property*” means that certain real property described in Exhibit A hereto.

“*Senior Loan*” means the loan made to the Borrower pursuant to the Senior Loan Documents.

“*Senior Loan Documents*” means the Loan Agreement dated as of [DATE], 2022, between the Borrower and CLI Capital (together with its successors and assigns, the “Senior Lender”), the Real Estate Lien Note dated [DATE], 2022, executed by the Borrower, the Security Agreement between the Borrower and the Senior Lender dated [DATE], 2022 and the Mortgage dated [DATE], 2022 made by the Borrower to the Senior Lender, and all other agreements and documents executed and or delivered pursuant thereto, as the same may be amended from time to time with the consent of the Lender as required by the Loan Agreement.

“*Title Company*” means [First American Title Insurance Company] or another title insurance company selected by the Loan Administrator from time to time.

“*Total Enrollment Capacity*” shall have the mean set forth in the Loan Agreement.

“*Title Policy*” means that title insurance policy issued to the Lender as of the Closing Date insuring the Lender’s interest in the Project.

## **Section 2. Approval of Disbursements of the Loan.**

(a) ***Loan Proceeds Account.*** The Borrower hereby directs Lender to deposit with the Loan Administrator a portion of the Loan proceeds in the amount of \$[ ] for credit to an account to be established and held by in in the name of the Loan Administrator, as the account holder thereof, for the benefit of the Lender and the Borrowers (the “Loan Proceeds Account”). The Loan Administrator shall hold and disburse all such funds

deposited into the Loan Proceeds Account (the “Loan Proceeds”) in strict accordance with the terms and conditions of this Agreement and the Loan Agreement.

(b) ***Course of Construction Disbursements.*** Subsequent to the recordation of the Mortgage, and subject to the provisions of the Loan Agreement and this Agreement, and so long as no Event of Default or circumstance which with notice or time or both could constitute an Event of Default has occurred and is continuing, until such time as one hundred percent (100%) of the Loan Proceeds have been disbursed, the Loan Administrator shall disburse, directly to the Borrower, or, at the Loan Administrator’s option, directly to the Contractor or the Inspecting Architect, or to such persons as have actually supplied labor, materials or services in connection with, or incidental to, the construction of the Improvements, such sums as are required to be used, and which shall be used only for the payment of Costs of the Project.

(c) ***Revisions to Development Budget.*** The Development Budget restricts disbursements to line items in cost categories. The Borrower agrees that the amounts of any cost category requested for disbursements will not exceed the amount stated in the Development Budget. The Borrower agrees to use disbursements solely in conformity with the Development Budget and for Costs of the Project. If the Improvements cannot be constructed or rehabilitated in strict conformity with the most recently approved Development Budget, the Borrower shall immediately submit to the Loan Administrator for its approval a revised Development Budget, which shall (a) identify the Borrower’s requested changes in any line items; and (b) be accompanied by the Borrower’s written statement of reasons for the changes. The Borrower shall execute such documentation and pay for such endorsements to the Title Policy as the Loan Administrator may reasonably require in connection with the revised Development Budget.

(d) ***Initial Disbursement; Limit on Disbursements until Increase in Total Enrollment Capacity Approved.*** The initial disbursement of Loan Proceeds (in an amount as approved by the Loan Administrator) by the Loan Administrator shall only be payable as set forth in the Request for Advance once the conditions on Exhibit C to the Loan Agreement are met unless waived in writing by the Lender or the Loan Administrator. The maximum amount disbursed hereunder is limited to an amount equal to \$7,715,788 until the Loan Administrative has received written verification that Hillsborough County has amended its zoning for the Property to permit the Total Enrollment Capacity

(e) ***Final Disbursement.***

(i) Subject to the provisions of this Agreement (including subsection (ii) below), and so long as no Event of Default or Construction Event of Default or circumstance which with notice or time or both could constitute an Event of Default or Construction Event of Default has occurred and is continuing, the final disbursement of Loan Proceeds from the Loan Proceeds Account, shall be made when the Borrower has delivered, or caused to be delivered to the Loan Administrator:

(A) A final executed copy of the Trademark License Agreement in substantially the form attached hereto as Exhibit E.

(B) A final executed copy of the Copyright License Agreement in substantially the form attached hereto as Exhibit F.

(C) A certificate of the Contractor to the effect, inter alia, that to their best knowledge, the Improvements have been fully completed in accordance with the Plans, all laws and governmental approvals, and the Lender or the Loan Administrator may request that the matters in such certificate be verified by the Inspecting Architect.

(D) A permanent certificate of occupancy for the Improvements and all other governmental approvals required for the use and occupancy of all portions of the Improvements shall have been duly issued and the Loan Administrator and the Lender shall have received copies thereof.

(E) The Lender shall have received an endorsement to the Title Policy in a form approved by the Lender or the Loan Administrator, insuring that no encroachments exist over any building, zoning, right-of-way or property boundary lines.

(F) The Lender shall have received a certified as-built survey, showing the location of all Improvements, easements, rights-of way and other matters affecting the Real Property.

(G) The Lender shall have received final lien releases from the Contractor and all subcontractors with respect to the work performed in connection with the construction and equipping of the Improvements.

(H) The Inspecting Architect shall have delivered a favorable report as to the detail set forth in the Plans, the quality of construction called for by the Plans and the Construction Contract provide for completion of the Improvements in accordance with the Plans and as to such other matters as the Lender may request.

(I) The Lessee shall provide the Lender and the Loan Administrator with a Tax Clearance Letter; provided, however, the forgoing shall only be required to the extent that the Lessee has established a tax account with the Florida Department of Revenue.

(J) The Borrower shall provide the Lender and the Loan Administrator with such other information and documentation reasonably requested by the Lender or the Loan Administrator.

(ii) To the extent that the final disbursement is not to be used for Costs of the Project, such disbursement may be made with the written approval of the

Loan Administrator or Lender and shall not be subject to the conditions listed in (A) through (I) of subsection (i) above.

(f) ***Conditions and Procedures to Disbursements.*** Subject to the terms and conditions hereof, including those items set forth on Exhibit C hereto, the Loan Administrator shall undertake to disburse the Loan Proceeds from time to time for payment of Costs of the Project, Improvements and other development costs, all as described in the Development Budget, as such construction is completed and as the other development costs are incurred as the Loan Administrator or the Inspecting Architect shall determine. The Loan Administrator's obligation to make any such disbursement is conditioned upon receiving a written request of the Borrower, delivery by the Borrower and written approval by the Loan Administrator or the Lender of the items required pursuant to Sections 2(d)-(e) and/or Exhibit C, as applicable, satisfaction of all other conditions to disbursements set forth herein, delivery of the items specified below and the performance by the Borrower of all of its covenants, agreements and obligations under this Agreement and the other Loan Documents, including the Senior Loan Documents. For the avoidance of doubt, no funds shall be disbursed for any construction related costs (other than the Initial Disbursement described in 2(d) above) unless and until the Borrower delivers to the Loan Administrator evidence satisfactory to the Loan Administrator of the approval or issuance of all necessary building permits required by applicable law.

(i) **Advance.** At least twenty (20) days prior to the date on which the Borrower desires an Advance, the Borrower shall submit to the Senior Lender and the Loan Administrator (i) a Request for Advance in the form attached as Exhibit D hereto and signed by the Borrower or the Inspecting Architect; (ii) a revised Development Budget showing the total Project costs to date and the balance of each category of Construction Costs; (iii) a requisition using AIA Form G702/G703 or such other form as the Loan Administrator may request signed by the Contractor and subcontractors and notarized, accompanied by lien waivers for the prior period, copies of all backup invoices in excess of \$2,500 from contractors and subcontractors and change orders, and copies of invoices for indirect construction costs, the accuracy of which may at the Loan Administrator's option be certified by the Inspecting Architect, and such other information and documentation required hereunder; and (iv) written approval of the Loan Administrator or the Lender. The Loan Administrator shall not be required to disburse Loan Proceeds until ten (10) days after the last required item is received. The Loan Administrator shall not be required to approve an Advance for any line item in excess of the amount allocated to such line item as set forth in the Development Budget. Request for an Advance may not be submitted telephonically.

(ii) **Schedule of Contractors and Lien Waivers.** If requested by the Loan Administrator or the Lender, the Borrower shall furnish the Loan Administrator with a schedule from the Borrower identifying all contractors or subcontractors who have performed work or furnished materials in connection with the Improvements, together with lien waivers from the Contractor and all subcontractors who have performed work or furnished materials in connection with the Improvements, current through the period covered by such request for funds.

(iii) Loan in Balance; Borrower's Funds Account; Security Interests. The Loan Administrator shall be obligated to disburse Loan Proceeds only when the Loan is "in balance." The Loan is "in balance" only at such time and from time to time as the Loan Administrator or the Inspecting Architect may determine in its reasonable discretion that the then undisbursed portion of the aggregate amount of the Loan and the Senior Loan, plus any sums provided or to be provided by the Borrower hereunder or pursuant to the terms of the Loan Documents ("Borrower's Funds") are sufficient in the reasonable judgment of the Loan Administrator or Lender to pay the amount necessary for the timely and full payment of (i) all work done and not theretofore paid for or to be done in connection with the completion of the construction of the Improvements in accordance with the Plans, and (ii) all other costs (including interest on the Loan) incurred and not theretofore paid for or to be incurred in connection with the Project.

Unless otherwise shown in the Development Budget, Borrower's Funds are, or shall be on deposit with the Loan Administrator, in the Borrower's Funds Account. The Loan is "out of balance" if and when the Lender or the Loan Administrator, in its reasonable judgment, determines that there are insufficient funds (including all undisbursed Loan and Senior Loan funds) to pay for all such costs and sums payable under the Loan Documents

The Borrower acknowledges that the Loan may become "out of balance" in numerous ways, not all of which may now be foreseen. The Borrower further acknowledges that the Loan may become "out of balance" from a shortage of funds in any single line item or cost category of the Development Budget, even if there are undisbursed Loan Proceeds, Senior Loan proceeds or other Borrower's Funds in other line items or cost categories. Undisbursed Loan proceeds in one category or line item (e.g., construction costs) may not be applied to another category or line item (e.g., interest reserve) unless either the Development Budget allows such use (and only to the extent specifically allowed) or the Lender or the Loan Administrator consents in writing to such use in each instance. In the event that the Lender or the Loan Administrator so consents, such undisbursed Loan proceeds shall be transferred to a contingency line item before being transferred to another category or line item. Whenever the Loan becomes "out of balance," the Lender or the Loan Administrator may make written demand on the Borrower to deposit funds with the Loan Administrator in an amount sufficient in the Lender's or the Loan Administrator's reasonable judgment to cause the Loan to be "in balance." The Borrower shall either: (a) immediately deposit with the Loan Administrator, in cash or cash equivalents, the amount that the Lender or the Loan Administrator, in its reasonable judgment, deems necessary to put the Loan "in balance" or (b) furnish the Loan Administrator with paid invoices, bills and receipts indicating that Borrower has paid, from Borrower's Funds, for the Costs of the Project in a sufficient amount to put the Loan "in balance."

At any time, the Lender or the Loan Administrator may evaluate the sufficiency of undisbursed Loan proceeds allocated to contingency line items, exercising its reasonable judgment in light of any of (a) the Lender's or the Loan

Administrator's projections of development, rehabilitation and construction costs applicable to the Project to periods up to and including the full remaining term of the Loan (and permitted extensions, if any); and (b) cost overruns or Change Orders. Based on the Lender's or the Loan Administrator's evaluation of these data and projections, the Loan may be "out of balance." If this happens, the Lender may exercise its rights under this Section or, if it so chooses, the Lender or the Loan Administrator may apply Borrower's Funds to pay all future interest to cover, in the Lender's or the Loan Administrator's reasonable judgment, any and all amounts that might become due during the remaining term of the Loan.

(iv) Senior Loan in Balance. Anything contained in this Agreement to the contrary notwithstanding, it is expressly understood and agreed that the Senior Loan shall at all times be "in balance." The Senior Loan shall be deemed to be "in balance" only at such time and from time to time as the Senior Lender or the Inspecting Architect may determine in its reasonable discretion that the then undisbursed portion of the aggregate amount of the Senior Loan equals or exceeds the amount necessary for the timely and full payment of (i) all work done and not theretofore paid for or to be done in connection with the completion of the construction of the Improvements in accordance with the Plans, and (ii) all other costs (including interest on the Senior Loan) incurred and not theretofore paid for or to be incurred in connection with the Project. The Borrower agrees that if the Senior Loan is deemed not to be "in balance", the Borrower shall provide written notice of the same to the Loan Administrator and the Lender. The Loan Administrator shall have no obligation to approve an Advance while the Senior Loan is not "in balance".

(v) Notwithstanding the foregoing, the Loan Administrator may approve an Advance to the Borrower and in such instance the foregoing requirements will not need to be delivered by the Borrower. For the avoidance of doubt such written approval will be required for each Advance in which the Borrower does not deliver the foregoing requirements.

(vi) The Borrower hereby irrevocably assigns, transfers, pledges and grants to the Lender a security interest in and to the Borrower's right, title and interest (A) under this Agreement, (B) in and to the Loan Proceeds Account including all Loan Proceeds credited thereto and (C) in and to the Borrower's Funds Account now or hereafter established, including all Borrower's Funds credited thereto, to secure the Loan which security interest shall be subject to the terms and conditions of the Loan Agreement. Until such time as a default exists hereunder, Borrower's Funds may be used for the purposes contained in the Loan Documents and/or this Agreement. The Borrower hereby irrevocably authorizes and empowers the Lender and the Loan Administrator to use and/or dispose of the whole of such deposited money comprising Borrower's Funds (and any further or additional sums hereafter deposited with the Loan Administrator for like purposes), and the Borrower and the Lender hereby agree that the same shall be used and/or disposed of, in the manner and for the purposes described in the Loan Documents and/or this

Agreement. Any failure or refusal by the Borrower to comply with the provisions of this paragraph shall be deemed a default hereunder.

(g) ***Limitation on Disbursement.*** The proceeds of the Loan shall be disbursed to the Borrower or, at the Loan Administrator's or Lender's option, directly to the Contractor, or to such persons as have actually supplied labor, materials or services in connection with, or incidental to, construction or rehabilitation of the Improvements. Disbursements of Loan proceeds shall be made by the Loan Administrator only to defray Costs of the Project actually incurred by the Borrower. Disbursements on account of the direct costs of constructing and rehabilitating the Improvements shall be limited to the lesser of (i) the actual cost to the Borrower of work and labor performed on the Improvements and materials incorporated into the Improvements, or (ii) the actual value based on the percentage of completion (as determined by the Loan Administrator or the Lender in their sole discretion) of such work and labor performed.

**Section 3. Representations and Warranties of Borrower.** Subject to the terms of the Loan Agreement, the Borrower makes the following representations and warranties for the benefit of the Lender, each of which is material and is relied upon by the Lender. Each of the following representations and warranties shall be true and accurate as of the Closing Date and upon disbursement of each Advance. The Borrower agrees that such representations and warranties shall survive and continue until full and final payment of all sums owed under the Loan Documents.

(a) ***Liens.*** The Borrower has made no contract or arrangement of any kind, the performance of which by the other party thereto would give rise to a lien on the Project, except for its arrangements with the Contractor or any Permitted Encumbrances.

(b) ***Plans, Defects.*** The Plans are satisfactory to the Borrower, and to the extent required by any law or any effective restrictive covenant, have been approved by all applicable governmental authorities and the beneficiaries of any such covenant respectively.

(c) ***Utilities.*** All utility services necessary for the construction or rehabilitation and operation of the Improvements for their intended purpose are, or will as needed be, available at the Real Property, including water supply, storm drain and sanitary sewer facilities, and gas, electric and telephone facilities.

(d) ***Roads.*** All roads necessary for the full use of the Improvements for their intended purposes have been, or will as needed be, completed, or the necessary rights-of-way therefor have either been acquired by the applicable governmental authority or dedicated to public use and accepted by such governmental authority. All necessary steps have been taken by the Borrower and such governmental authority to assure the completion of any needed construction thereof.

(e) ***CC&Rs, Zoning.*** The Borrower has examined, is familiar with, and upon completion of construction or rehabilitation, the Improvements will in all respects conform



to and comply with, all covenants, conditions, restrictions, reservations and zoning ordinances affecting the Project.

(f) ***Advance.*** Each Advance request shall be true, complete and accurate and the submission of same shall constitute a reaffirmation of the representations, warranties and covenants contained herein.

(g) ***Incorporation by Reference.*** The representations and warranties of the Borrower set forth in Section 3 of the Loan Agreement are incorporated herein by reference as if fully set forth in this Section 3.

**Section 4. Borrower's Covenants.** Subject to the terms of the Loan Agreement, the Borrower covenants and agrees with the Lender that until the full and final payment of the Loan, the Borrower shall comply with the following covenants:

(a) ***Borrower's Funds.*** Should it appear at any time in the Lender's or the Loan Administrator's reasonable judgment that the sum of undisbursed Loan proceeds, plus undisbursed Senior Loan proceeds, plus Borrower's Funds, if any, are insufficient to provide the financing for construction, rehabilitation or equipping of the Improvements, the Requesting Parties shall pay to the Loan Administrator within 10 days following receipt of written demand by the Lender or the Loan Administrator, an amount equal to such deficiency for deposit into the Borrower's Funds Account.

(b) ***Lien Priority.*** At the Borrower's own cost and expense, the Borrower shall maintain the Mortgage as a lien on the Real Property and the Collateral, subject only to the lien of the Senior Loan.

(c) ***Construction or Rehabilitation of the Improvements.*** The Borrower shall cause (i) the Improvements to be constructed or rehabilitated in a good and workmanlike manner, with materials of high quality, and in accordance with the Plans, applicable laws and sound building and engineering practices, (ii) the construction or rehabilitation of the Improvements to be prosecuted with diligence and continuity and completed in accordance with the Plans on or before the Completion Date, free and clear of liens or claims for liens, and (iii) all licenses and permits necessary for the occupancy, use or sale of the Improvements to be issued.

(d) ***Change Orders.***

(i) The Borrower shall not permit any material amendments or modifications of the Plans, the Construction Contract or any subcontracts, or the performance of any work pursuant to such amendments or modifications without written notice to the Loan Administrator. The Borrower agrees to provide the Loan Administrator with copies of all proposed Change Orders, together with all additional documents that the Loan Administrator may require. These documents may include the following: (a) plans and specifications indicating the proposed change; (b) a written description of the proposed change and related working drawings; and (c) a written estimate of the cost of the proposed change and the time necessary to complete it.

(ii) In connection with any amendment or modification pursuant to Section 4(d)(i) above, the Borrower shall obtain from the appropriate persons or entities all approvals of any changes in the Plans, specifications, work, materials or contracts that are required in connection with the construction or rehabilitation of the Project, or under the terms of any loan commitment or other agreement relating to the Project and deliver copies of the same to the Loan Administrator.

(iii) The Borrower agrees to provide copies of all Change Orders delivered under the Senior Loan Documents to the Loan Administrator.

(e) ***Paid Vouchers.*** The Borrower shall deliver to the Loan Administrator and/or the Lender, on demand, copies of any contracts, bills of sale, statements, receipted vouchers or agreements under which the Borrower claims title to any materials, fixtures or articles incorporated in the Improvements.

(f) ***Application of Disbursements.*** The Borrower shall receive all disbursements from the Lender under the Loan Agreement or this Agreement in trust, strictly for the purpose of paying the costs identified in the request for such disbursement.

(g) ***Continuation and Date-Down Endorsements.*** If reasonably required by the Loan Administrator, as a condition precedent to each disbursement, the Borrower shall, at its own cost and expense, deliver or cause to be delivered to the Loan Administrator, from time to time, such continuation and date down endorsements to be attached to the Title Policy, in form and substance satisfactory to the Loan Administrator, as the Loan Administrator deems necessary to insure the lien priority of the Mortgage, as of the date of and including the amount covered by each such disbursement, and the Borrower agrees to furnish to the Title Company such surveys and other information as are required by the Loan Administrator or the Title Company to enable the Title Company to issue such endorsements to the Lender.

(h) ***Notice.*** The Borrower shall promptly notify the Loan Administrator in writing of any notice to the Borrower that the Improvements or construction thereof or the Project fails in any respect to comply with any applicable law.

(i) ***No Amendment.*** The Borrower shall not enter into any amendments to the Plans without the Lender's prior written consent.

(j) ***Inspecting Architect and Contractor.*** The Borrower shall not replace the Inspecting Architect or the Contractor, enter into any material modifications of the Construction Contract, except as permitted hereby; or fail to perform the Borrower's covenants thereunder, without Lender's or the Loan Administrator's prior written consent, which may be given or withheld in the Lender's or the Loan Administrator's sole discretion, as applicable.

(k) ***Appraisals.*** The Borrower acknowledges the Lender's or the Loan Administrator's right to obtain a new appraisal or update an existing appraisal of the Project at any time while the Loan or any portion thereof remains outstanding to comply with statutes, rules, regulations or directives of governmental agencies having jurisdiction over

the Lender, provided that the Lender and the Loan Administrator shall not require such appraisal or update more often than once every five years. Further, the Borrower hereby agrees to pay, upon demand, all appraisers' fees and related expenses incurred by the Lender or the Loan Administrator from time to time in obtaining appraisal reports.

**Section 5. Events of Default.** The occurrence of any one or more of the following events shall constitute a "Construction Event of Default" hereunder and at the Lender's or Loan Administrator's option, exercisable in their sole discretion, shall terminate any obligation of the Loan Administrator to approve any Advances.

(a) The Borrower breaches, or defaults under, any term, covenant, condition or provision contained in this Agreement for a period of 30 days after written notice is given to the Borrower by the Loan Administrator, specifying such breach and requesting that it be remedied; provided, however, if such breach is correctable but cannot be corrected within 30 days and corrective action is instituted by the Borrower within 30 days and diligently pursued until corrected, then no Construction Event of Default shall be deemed to have occurred, unless such cure has not been completed within 60 days after such written notice.

(b) The Borrower, the Inspecting Architect or the Contractor does not proceed diligently and continuously with the construction or rehabilitation of the Improvements or the construction or rehabilitation of the Improvements is otherwise discontinued for a period of 30 consecutive days or more, for any reason other than Force Majeure or delays authorized pursuant to the terms of the Construction Contract.

(c) Any person obtains an order or decree in any court of competent jurisdiction prohibiting the construction or rehabilitation of the Improvements or the Borrower from performing its obligations under this Agreement, the Loan Agreement, or any other Loan Document, and such order or decree is not vacated within 30 days after the granting thereof.

(d) The Borrower neglects, fails or refuses to keep in full force and effect for more than five days, any permit or approval with respect to the construction or rehabilitation of the Improvements or the use and occupancy thereof.

(e) Any bonded notice to withhold Loan proceeds is validly served on the Lender or the Loan Administrator and within 30 days of the receipt of such service (i) is not discharged, or (ii) if the amount claimed is disputed in good faith by the Borrower or the Contractor, an appropriate counter bond or equivalent acceptable to the Lender or the Loan Administrator is not provided to the Lender or the Loan Administrator.

(f) The imposition, voluntary or involuntary, of any lien or encumbrance upon the Project without the Lender's written consent and that does not otherwise constitute a Permitted Encumbrance, unless an adequate counter bond is provided and such lien is accordingly released within 30 days of the imposition of such lien.

(g) An event or condition occurs or arises that materially impairs the Borrower's intended use of the Project.

**Section 6. Remedies.** If a Construction Event of Default occurs under this Agreement:

(a) The Lender, or the Loan Administrator on behalf of the Lender, may exercise any right or remedy which it has under the Loan Agreement or any of the other Loan Documents, or which is otherwise available at law or in equity or by statute, and all of the Lender's rights and remedies shall be cumulative.

(b) The Lender shall have the right, in its sole discretion and without obligation to do so, to enter the Project and take possession of it, whether in person, by agent or by court-appointed receiver, to perform any and all work and labor necessary to complete the construction or rehabilitation of the Improvements substantially in accordance with the Plans, and to collect rents and otherwise protect its collateral and exercise its rights and remedies under the Loan Documents. If the Lender exercises any of the rights or remedies provided in this Section 6(b), that exercise shall not make the Lender a partner or joint venturer of the Borrower. All sums which are expended by the Lender in completing the construction or rehabilitation of the Improvements or in preserving the Lender's collateral for the Loan shall be considered a loan to the Borrower secured by the Collateral Documents and shall bear interest at the Default Rate contained in the Loan Agreement.

(c) Notwithstanding the exercise of any remedy described above or the existence of any Construction Event of Default, the Lender, or the Loan Administrator at their option, may approve any Advance or disburse any or all of Borrower's Funds without (i) waiving the Lender's right to demand payment of the Loan in accordance with the terms of the Loan Agreement and the other Loan Documents, (ii) incurring liability to approve any other or further Advances, and (iii) waiving the Lender's or Loan Administrator's right to require compliance with the Borrower's covenant to correct any defect in the Improvements or departure from the Plans not approved by the Lender or the Loan Administrator.

**Section 7. Force Majeure.** If the work of construction or rehabilitation is directly affected and delayed by Force Majeure, the Borrower must notify the Lender and the Loan Administrator in writing within 10 calendar days after the event constituting Force Majeure.

**Section 8. Termination.** This Agreement shall terminate upon the earlier of (a) disbursement in full of all fund on deposit hereunder and (b) by written agreement fo all of the parties hereto.

**Section 9. Miscellaneous.**

(a) **Disclaimer.** WHETHER OR NOT THE LENDER ELECTS TO EMPLOY ANY OR ALL OF THE REMEDIES AVAILABLE TO THE LENDER UPON THE OCCURRENCE OF A CONSTRUCTION EVENT OF DEFAULT, THE LENDER SHALL NOT BE LIABLE FOR THE CONSTRUCTION OR REHABILITATION OF, OR FAILURE TO CONSTRUCT, REHABILITATE, COMPLETE OR PROTECT, THE IMPROVEMENTS.

(b) **Notices.** All notices, demands, requests or other communications (including communications by facsimile transmission or email) provided for or allowed hereunder shall be given in accordance with Section 10.1 of the Loan Agreement.

(c) **No Third Party Beneficiaries.** This Agreement is made for the sole benefit of the Borrower, the Lender and the Loan Administrator and each of their successors and assigns, and no other person shall have any rights or remedies under or by reason of this Agreement or any right to exercise any right or power of the Lender hereunder or arising from any default by the Borrower. The Lender and the Loan Administrator shall owe no duty whatsoever to any claimant for labor performed or material furnished in connection with the rehabilitation, construction or equipping of the Improvements nor any duty whatsoever to apply any undisbursed Loan proceeds to the payment of any such claim or to exercise any right or power of the Lender hereunder or arising from any default by the Borrower.

(d) **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Florida.

(e) **Waiver of Jury Trial.** TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF THE PARTIES HERETO, (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

(f) **Entire Agreement.** This Agreement and all other Loan Documents constitute the entire understanding between the parties hereto with respect to the subject matter hereof, superseding all prior written or oral understandings.

(g) **Publicity, Signs.** The Borrower hereby agrees that the Lender, at the Lender's expense, may publicize the financing of the Project (including the name of the Borrower) and, in connection therewith, may use the Project name and address, and a description, photograph or other illustrative drawing of the Project.

(h) **Headings.** The various headings of this Agreement are included for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

(i) **Severability.** Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall be effective.

(j) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but taken together shall be one and the same document.

(k) ***Exhibits.*** All exhibits attached hereto are incorporated herein as if fully set forth within this Agreement.

[Signature Page Follows]

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

**Florida Department of Education,**  
as Lender

By: Building Hope Finance, Loan Administrator  
and authorized signatory on behalf of the Florida  
Department of Education

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Building Hope Finance,**  
a District of Columbia not for profit corporation, as  
Loan Administrator

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**IPS Enterprises, Inc.,**  
a Texas nonprofit corporation, as Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*(Signature page for IDEA Jacksonville 3- Disbursement Agreement)*



**EXHIBIT A**  
**LEGAL DESCRIPTION OF REAL PROPERTY**

**EXHIBIT B**

**DEVELOPMENT BUDGET**

## EXHIBIT C

### CONDITIONS AND PROCEDURES TO DISBURSEMENTS

#### I. LOAN DISBURSEMENTS.

A. No more than once each month, as approved by the Lender or the Loan Administrator, following recordation of the Mortgage, the Borrower shall submit to and the Loan Administrator a request for disbursement along with a written itemized statement ("Certificate for Progress Payment"), detailing the information and documents described in Section 2(f) of the Disbursement Agreement.

II. IT IS UNDERSTOOD AND AGREED THAT THE LENDER AND THE LOAN ADMINISTRATOR MAY AND WILL ACT IN RELIANCE UPON EACH REQUEST FOR DISBURSEMENT AND CERTIFICATION FOR PROGRESS PAYMENT SUBMITTED AS A REPRESENTATION AND WARRANTY ON BEHALF OF THE BORROWER AND THE BORROWER AGREES THAT THE LENDER AND THE LOAN ADMINISTRATOR SHALL BE HELD HARMLESS FROM ANY LOSS OR LIABILITY THAT IT MAY INCUR AS A RESULT OF ANY SUCH REPRESENTATION OR WARRANTY BECOMING UNTRUE.

III. All of the terms and conditions contained herein shall be in addition to the terms and conditions set forth in the Loan Agreement and the Disbursement Agreement. The Loan proceeds shall be disbursed by the Loan Administrator as follows, subject to the provisions regarding as provided in the Disbursement Agreement and upon delivery of the conditions set forth below hereto.

A. Advances. Advances shall be made in accordance with Section 2 of the Disbursement Agreement and in the form attached to the Disbursement Agreement as Exhibit D and consist of the costs set forth in more detail in the Development Budget. The construction of the Improvements is to be completed in accordance with the Plans.

1. **Disbursement of Funds.** Unless otherwise approved in writing by the Loan Administrator, no funds will be disbursed as an Advance until the Borrower provides the Loan Administrator with the following, in form and substance satisfactory to the Loan Administrator or the Lender:

(a) **Construction Contracts.** If requested by the Loan Administrator, a copy of each general construction contract, if any (the "Construction Contract"), and a copy of each subcontract entered into by the Borrower, the Inspecting Architect or by the Contractor, as the case may be, (each, a "Subcontract" and together, the "Subcontracts") shall be included as necessary in connection with each request for disbursement under the Disbursement Agreement.

(b) **Assignment of Construction Contract.** An Assignment of Construction and Development Documents to the Lender via the Assignment of Construction and Development Documents.

(c) **Permits.** Evidence that permits have been obtained for the portion of the Costs of the Project for which a disbursement has been requested, when applicable, including but not limited to, building permits approved by the City

(d) **Development Budget.** A line item schedule of (i) the costs and expenses of any of the Borrower's undertakings in this Agreement or of any of the other Loan Documents, (ii) interest on borrowings under the Loan, (iii) the costs and expenses of the Lender and the Loan Administrator which are payable by the Borrower, or reimbursable by the Borrower as set forth herein, (iv) the costs and expenses of the labor and materials used in constructing the Improvements, and (v) the costs and expenses incidental to the Loan, the rehabilitation or construction of the Improvements, the Borrower's undertakings in the Disbursement Agreement or any of the other Loan Documents, or any other matters or things contemplated thereby, together with a cost review prepared by the Inspecting Architect, with such budget subject to revision to allocate cost savings on any one line item to the cost of another line item.

(e) **Proof of Insurance.** Proof of insurance as may be required pursuant to the Loan Agreement.

(f) **Compliance with Loan Agreement.** Certification of compliance with the Loan Agreement, with no uncured events of default thereunder.

**B. Costs of the Project.** Upon receipt of a written request or invoice of the Borrower and the written consent of the Loan Administrator, funds may be disbursed to the Borrower to be used for purposes other than the Costs of the Project.

**IV.** STOP NOTICES SHALL BE RESERVED AGAINST THE APPROPRIATE LINE ITEM APPLICABLE THERETO TO THE EXTENT AVAILABLE AND, IF NOT, TO THE CONTINGENCY RESERVE TO THE EXTENT AVAILABLE. IF NEITHER THE LINE ITEM NOR THE CONTINGENCY RESERVE IS FULLY AVAILABLE, THE AMOUNT OF THE STOP NOTICES WHICH CANNOT BE RESERVED AGAINST THE LINE ITEM OR CONTINGENCY RESERVE SHALL BE RESERVED AGAINST THE CONSTRUCTION PERIOD INTEREST LINE ITEM.

[Remainder of page left blank]

**EXHIBIT D**  
**REQUEST FOR ADVANCE**

\$ \_\_\_\_\_

Requisition No. \_\_\_\_\_

[DATE]

Building Hope Finance, as Loan Administrator  
1776 Eye Street NW, Suite 200  
Washington, DC 20006

Ladies and Gentlemen:

On behalf of IPS Enterprises, In., (the “Borrower”), the undersigned hereby requisitions funds in accordance with the Disbursement Agreement dated as of [CLOSING DATE], 2022, (the “Disbursement Agreement”), the sum of \$ \_\_\_\_\_ from Loan proceeds to be paid to the person or persons indicated on Exhibit A attached hereto. Capitalized terms used in this requisition and certificate and not defined herein shall have the meanings assigned thereto in the Disbursement Agreement.

The undersigned certifies that (a) the obligation to make such payment was incurred by the Borrower in connection with the acquisition and rehabilitation or construction of the Project, is a proper charge against the Development Budget, and has not been the basis for any prior requisition which has been paid; (b) the Borrower has not received written notice of any lien, right to lien or attachment upon, or claim affecting the right of such payee to receive payment of, any of the money payable under this requisition to any of the persons, firms or corporations named herein, or if any notice of any such lien, attachment or claim has been received such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition; (c) this requisition contains no items representing payment on account of any retained percentages which the Borrower is entitled or required to retain at this date under the Loan Agreement or the Disbursement Agreement; and (d) no “Event of Default,” or event which after notice or lapse of time or both would constitute such an “Event of Default” under the Loan Agreement has occurred and not been waived.

The undersigned certifies that the funds advanced hereunder shall be used to pay Costs of the Project includable in the aggregate basis of the Improvements constituting the Project.

The undersigned certifies that insofar as the amount covered by the above requisition includes payments to be made for labor or to contractors, builders or materialmen, including materials or supplies, in connection with the acquisition of the Project, (i) all obligations to make such payment have been properly incurred, (ii) any such labor was actually performed and any such materials or supplies were actually furnished or installed in or about the Project and are a proper charge against the Development Budget, and (iii) such materials or supplies either are not

subject to any lien or security interest or, if the same are so subject, such lien or security interest will be released or discharged upon payment of this requisition.

**IPS ENTERPRISES, INC.,**

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[EXHIBIT A TO REQUISITION]

**EXHIBIT E**  
**TRADEMARK LICENSE AGREEMENT**



**EXHIBIT F**  
**COPYRIGHT LICENSE AGREEMENT**

NOTE

**THIS NOTE HAS NOT BEEN REGISTERED UNDER  
THE SECURITIES ACT OF 1933, AS AMENDED**

Registered No.	UNITED STATES OF AMERICA STATE OF FLORIDA	Registered \$8,673,535
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Interest Rate: \_\_\_\_%

Maturity Date: [     ], 2029

Issue Date: [     ], 2022

Registered Holder:        Florida Department of Education

Principal Amount\*:        EIGHT MILLION SIX HUNDRED SEVENTY-THREE  
THOUSAND FIVE HUNDRED AND THIRTY-FIVE NO/100  
DOLLARS

IPS Enterprises, Inc., a Texas non-profit corporation (the “**Borrower**”), for value received, hereby promises to pay to the Holder named above, or registered assigns, the Principal Amount set forth above or so much thereof as may be advanced by Florida Department of Education (the “**Lender**”) for the benefit or account of Borrower pursuant to that certain Loan Agreement dated [DATE], 2022 between the Lender and the Borrower (the “**Loan Agreement**”). The Borrower promises to pay interest on the outstanding and unpaid principal amount hereof from the date of each advance on each Interest Payment Date or Principal Payment Date, as applicable, at the rate set out below. \*The Principal Amount of this Note is subject to permanent reduction to an Amount of \$7,715,788 on [     ], 2024 if certain conditions set forth in the Loan Agreement are not satisfied.

1.     Authorization of Note. This Note represents the duly authorized Note of the Borrower, in the principal amount stated above, designated as “Note (IPS Enterprises, Inc.) Florida Department of Education Series 2022” (the “**Note**”) issued under and pursuant to the Loan Agreement. This Note is issued for the purpose of securing all obligations of the Borrower under the Loan Agreement and shall be governed by and construed in accordance with the Loan Agreement. Capitalized terms used herein and undefined shall have the meanings set forth in the Loan Agreement.

Reference is hereby made to the Loan Agreement for the provisions, among others, with respect to the nature and extent of the security for and the rights of the registered Holders of this Note, the terms and conditions on which, and purposes for which, this Note is issued and the rights, duties and obligations of the Borrower under the Loan Agreement, to all of which the Holder hereof, by acceptance of this Note assents. The Loan Agreement may be modified, amended or supplemented only to the extent and under the circumstances permitted by, and subject to the terms and conditions of, the Loan Agreement.

2.     Payment. The outstanding and unpaid principal amount of the Note from day to day outstanding which is not past due shall bear interest at a rate per annum equal to [     ]% payable

on each Interest Payment Date. Principal payments shall be determined on the basis of an amortization of the then outstanding principal balance of the Note over a period of 360 months, paid on each Principal Payment Date, until the Maturity Date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable; interest being calculated on the unpaid principal each day principal is outstanding and all payments made credited to any collection costs and late charges, to the discharge of the interest accrued and to the reduction of the principal, in such order as Lender shall determine.

All interest on the Note shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day) on each Interest Payment Date. Upon the occurrence and during continuation of an Event of Default under the Loan Agreement, the Note shall bear interest at the Default Rate. Lender shall deliver to Borrower at least five Business Days before each date for payment of interest on the Note an invoice for such payment.

If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in the Loan Agreement, is not a Business Day such payments may be made or act performed or right exercised on the next succeeding Business Day unless otherwise provided herein, with the same force and effect as if done on the nominal date provided in the Loan Agreement.

3. Prepayment. This Note is subject to prepayment in whole or in part on any Interest Payment Date. Borrower shall notify Lender by telephone (confirmed by telecopy) of any prepayment hereunder, not later than 11:00 a.m., Central Standard Time, thirty (30) days before the date of prepayment. Each such notice shall specify the prepayment date and the principal amount of such prepayment or portion thereof to be prepaid. Prepayments shall be accompanied by accrued interest to the prepayment date. This Note is also subject to prepayment as described in Section 11.02 of the Loan Agreement.

4. Method of Payment. All payments of principal and interest hereunder shall be paid by automatic debit, wire transfer, check or in coin or currency which, at the time or times of payment, is the legal tender for public and private debts in the United States of America and shall be made at such place as the Holder of the Note may from time to time appoint in the payment invoice or otherwise in writing.

5. Transfer of Note. This Note is transferable by the registered Holder hereof in the manner, subject to the limitations and upon payment of the charges provided in the Loan Agreement, and upon surrender and cancellation of this Note. Upon such transfer a new registered Note or Notes without coupons of the same series and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

6. Remedies. Upon the occurrence of any one or more of the events of default specified in the Loan Agreement, (a) the entire unpaid balance of principal of the Note, together with all accrued but unpaid interest thereon, and all other indebtedness owing to Lender by Borrower at such time shall, at the option of Lender, become immediately due and payable without further notice, demand, presentation, notice of dishonor, notice of intent to accelerate, notice of

acceleration, protest or notice of protest of any kind, all of which are expressly waived by the Borrower, and (b) Lender may, at its option, cease further advances under any of the Note. All rights and remedies of Lender set forth in the Loan Agreement and in any of the other Loan Documents may also be exercised by Lender, at its option to be exercised in its sole discretion, upon the occurrence of an event of default thereunder.

7. Usury. In no event shall the amount of interest (as defined and calculated in accordance with applicable law) contracted for, charged, reserved, received or taken in connection with the loan exceed the limit of usury or other applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, reserved, received or taken in connection with the loan, or if the exercise of the option contained in the Loan Agreement or otherwise to accelerate the maturity of the loan or if any prepayment of the loan by the Borrower results in there having been paid or received any interest in excess of that permitted by applicable law, then notwithstanding anything to the contrary contained in the Loan Documents, all excess amounts theretofore paid or received shall be credited on the principal balance of the loan (or, if the loan has been or would thereby be paid in full, refunded), and the provisions of the Loan Agreement shall immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for thereunder.

8. No Recourse. No recourse shall be had for the payment of the principal of or premium or interest on this Note or for any claim based thereon or upon any obligation, covenant or agreement in the Loan Agreement contained, against any past, present or future officer, trustee, director, member, employee or agent of the Borrower, or any incorporator, officer, director, member, employee or agent of any successor corporation, as such, either directly or through any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such incorporators, officers, directors, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Loan Agreement and the issuance of this Note.

9. Waiver of Presentment or Notice. The Borrower hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all defenses on the grounds of extension of time of payment for the payment hereof which may be given (other than in writing) by the Lender to the Borrower.

IT IS CERTIFIED that all conditions, acts and things required to exist, happen and be performed under the Loan Agreement precedent to and in the issuance of this Note, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Note have been duly authorized by resolutions of the Borrower.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed as of the Issue Date written above.

IPS ENTERPRISES, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LOAN AGREEMENT**

by and between

**FLORIDA DEPARTMENT OF EDUCATION**  
as Lender

and

**IPS ENTERPRISES, INC.**  
as Borrower

Dated as of [DATE], 2022

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## **LOAN AGREEMENT**

**THIS LOAN AGREEMENT**, dated as of [DATE], 2022 (this “Agreement”), is between **Florida Department of Education** (the “Lender” or the “State”), and **IPS Enterprises, Inc.**, a Texas nonprofit corporation (the “Borrower”).

### **WITNESSETH:**

WHEREAS, the Lender established the School of Hope Revolving Loan Fund Program pursuant to Section 1001.292 Florida Statutes, as amended; and

WHEREAS, IDEA Public Schools (“IDEA”) has been approved as a “Hope Operator” as defined in Section 1002.333, Florida Statutes, as amended, has designated the Borrower as its affiliated agent for purposes of entering into this Agreement and financing the Project (as hereinafter defined); and

WHEREAS, pursuant to the Management Agreement (as hereinafter defined) the Borrower will provide school management services in connection with the development and operation of charter schools to be opened and operated by IDEA Florida, Inc.; and

WHEREAS, the Borrower has requested that the Lender make a loan the Borrower for the purposes of acquiring, constructing, equipping and financing educational facilities located Florida (collectively, the “Project”); and

WHEREAS, the Facilities (as hereinafter defined) will be leased to IDEA Florida, Inc, a Florida nonprofit corporation, pursuant to the Lease Agreement effective as of [DATE], 2022 and by and between the Borrower, as lessor and IDEA Florida, Inc. as lessee, (“IDEA Florida” or the “Lessee”) (as the same may be amended or supplemented, collectively, the “Tampa 3 Lease”); and

WHEREAS, the Lender has determined to make a loan to the Borrower in the amount of \$8,673,535 (the “Loan”); and

WHEREAS, the Loan will be secured by the Pledged Revenues and the Mortgage; and

WHEREAS, the Lender proposes to loan to the Borrower and the Borrower desires to borrow from the Lender the proceeds of the Loan for the purposes described above upon the terms and conditions hereinafter set forth in this Agreement;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS:

### **ARTICLE I DEFINITIONS**

The following terms, except where the context indicates otherwise, shall have the respective meanings set forth below:

*“Accountant”* means any Independent certified public accounting firm licensed to practice in the State (which may be the firm of accountants that regularly audits the books and accounts of the Borrower) from time to time selected by the Borrower and approved by the Lender.

*“Act”* means the 2002 Florida School Code, including Sections 1002.33, 1002.331, 1002.332 and 1002.333 of the Florida Statutes, as amended, and related regulations adopted by the State Board of Education.

*“Affiliate”* or *“Affiliates”* means any Person (a) directly or indirectly controlling, controlled by, or under common control with such Person; or (b) a majority of the members of the Directing Body of which are members of the Directing Body of such Person. For purposes of this definition, control means with respect to: (i) a corporation having stock, the ownership, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation; (ii) a not-for-profit corporation not having stock, having the power to elect or appoint, directly or indirectly, a majority of the members of the Directing Body of such corporation; or (iii) any other entity, the power to direct the management of such entity through the ownership of at least a majority of its voting securities or the right to designate or elect at least a majority of the members of its Directing Body, by contract or otherwise. For the purposes of this definition, *“Directing Body”* means with respect to: (x) a corporation having stock, such corporation’s board of directors and owners, directly or indirectly, of more than 50% of the securities (as defined in Section 2(1) of the Securities Act of 1933, as amended) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation (both of which groups will be considered a Directing Body); (y) a not-for-profit corporation not having stock, such corporation’s members if the members have complete discretion to elect the corporation’s directors, or the corporation’s directors if the corporation’s members do not have such discretion; or (z) any other entity, its governing body or board. For the purposes of this definition, all references to directors and members will be deemed to include all entities performing the function of directors or members however denominated.

*“Agreement”* or *“Loan Agreement”* means this Loan Agreement and any amendments and supplements hereto made in conformity with the requirements hereof.

*“Authorized Representative”* means in the case of the Borrower, the Chairman, President or the Secretary thereof and, when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

*“Authorizer”* means the School Board of Hillsborough County.

*“Borrower”* means IPS Enterprises, Inc., a Texas nonprofit corporation, or any surviving, resulting or transferee corporation, as provided in Section 8.02 hereof.

*“Borrower Deposit Account Control Agreement”* means the Deposit Account Control Agreement dated [DATE], 2022, entered into among the Borrower, the Lender and the Depository

Bank, as the same may be amended or supplemented, and any other deposit account control agreement entered into by the Borrower, the Lender and a Depository Bank from time to time.

*“Borrower Documents”* means this Agreement, the Mortgage, the Note, the Tampa 3 Lease, the Senior Loan Documents, the Management Agreement, the Charter School Contract, the Borrower Deposit Account Control Agreement, the Disbursement Agreement. and each of the other agreements, certificates, contracts or instruments to be executed by the Borrower or an Affiliate thereof in connection with the Loan or the financing of a portion of the expenses associated with the Project.

*“Business Day”* means any day other than a Saturday or Sunday or a day on which the Federal Reserve System is closed.

*“Charter School Contract”* means the School of Hope Performance-Based Agreement dated as of June 16, 2020 between the School Board of Duval County and IDEA Florida.

*“Closing Date”* means [DATE], 2022.

*“Collateral”* has the meaning given in the Mortgage.

*“Copyright Agreement”* means the Copyright License Agreement between IPS, as Licensor and the Lessee, as Licensee, [to be executed no later no later than the date of final disbursement of the Loan.]

*“Costs of the Project”* in connection with the construction, acquisition, improvement, renovation or equipping of the Project, means any cost incurred or estimated to be incurred by the Borrower which is reasonable and necessary for carrying out all works and undertakings in providing the Project for the Borrower, including the acquisition of real property and any buildings thereon, the cost of equipment and furnishings, the construction, acquisition, improvement, renovation or equipping of the Project, the cost of necessary studies, surveys, plans and specifications, architectural, engineering, legal or other special services, development, construction and reconstruction necessary or useful in connection with the Project, the reasonable cost of financing or refinancing incurred by the Borrower or the Lender in connection with the execution of this Agreement, or in the course of the construction, acquisition, improvement, renovation or equipping of the Project, including capitalized interest on amounts disbursed in stages, and the cost of such other items as may be reasonable and necessary for the construction, acquisition, improvement, renovation and equipping of the Project as permitted under the Act.

*“Default Rate”* has the meaning given in the Senior Loan Documents.

*“Depository Bank”* means Regions Bank.

*“Disbursement Agreement”* means the Disbursement Agreement dated February 28, 2022 by and among the Borrower, the Lender and the Loan Administrator.

*“Event of Default”* means those defaults specified in Section 10.01 hereof and any of the Senior Loan Documents or in the Tampa 3 Lease.

“*Facilities*” means a School of Hope to be built by and owned by the Borrower and financed, in part, with the proceeds of the Loan, such school to be located at the intersection of Hart Pond Road and Skewlee Road in Thonotosassa, Florida, and to consist of a new 101,500 square foot K-12 facility (including a gymnasium), to house both the Academy School and the College Preparatory School approved by the Authorizer.

“*Fiscal Year*” means the Borrower’s fiscal year, which currently begins on July 1 and ends on June 30 of each calendar year.

“*Generally Accepted Accounting Principles*” means those accounting principles applicable in the preparation of financial statements of the Borrower, as promulgated by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants.

“*Idea Florida Deposit Account Control Agreement*” means the Deposit Account Control Agreement dated [DATE], 2022 entered into among the Lessee, the Lender and the Depository Bank, as the same may be amended or supplemented, and any other deposit account control agreement entered into by the Lessee, the Lender and a Depository Bank from time to time.

“*Indebtedness*” means (i) all indebtedness incurred or assumed by the Borrower or the Lessee, as applicable, whether on a senior or subordinate basis, for borrowed money or for the acquisition, construction or improvement of property other than goods that are acquired in the ordinary course of business of the Borrower or the Lessee, as applicable; (ii) lease obligations of the Borrower or the Lessee, as applicable, that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet; (iii) all indebtedness for borrowed money for the acquisition, construction or improvement of property or capitalized lease obligations guaranteed, directly or indirectly, in any manner by the Borrower or the Lessee, as applicable, or in effect guaranteed, directly or indirectly, by the Borrower or the Lessee, as applicable, through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and (iv) all indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the Borrower or the Lessee, as applicable, whether or not the Borrower or the Lessee, as applicable, has assumed or become liable for the payment thereof.

“*Independent*” means a Person who is not a member of the governing body of IDEA, the Borrower, the Lessee or any Affiliate of any of the foregoing or an officer or employee of IDEA, the Borrower, the Lessee or any Affiliate any of the foregoing.

“*Independent Consultant*” means an Independent management consultant or certified public accountant experienced in the management and financing of charter schools in the State and acceptable to the Borrower and the Lender.

*“Insurance Consultant”* means an Independent insurance consultant and/or risk management firm or an insurance broker or an insurance agent (which may be a consultant, firm, broker or agent with whom the Borrower or the Lender regularly transacts business) selected by the Borrower an acceptable to the Lender.

*“Interest Payment Date”* means the first day of each month, commencing May 1, 2022.

*“Lease Payment Coverage Ratio”* has the meaning given in the Tampa 3 Lease.

*“Lender Indemnified Party”* or *“Lender Indemnified Parties”* means the Lender, its past, present, and future directors, officers, counsel, advisors, and agents, and the Loan Administrator, its past, present, and future directors, officers, counsel, employees, and agents, individually and collectively.

*“Lessee Documents”* means the Tampa 3 Lease, the Management Agreement, the Copyright Agreement, the Trademark License Agreement, the IDEA Florida Deposit Account Control Agreement and each of the other agreements, certificates, contracts or instruments to be executed by the Lessee in connection with the Loan, the Tampa 3 Lease or the financing of any expenses associated with the Project.

*“Liabilities”* means any causes of action (whether in contract, tort or otherwise), claims, costs, damages, demands, judgments, liabilities, losses, suits and expenses (including, without limitation, reasonable costs of investigation, and attorney’s fees and expenses) of every kind, character and nature whatsoever.

*“Lien”* means any mortgage or pledge of, security interest in, or lien or encumbrance on, any property which secures any Indebtedness or other obligation of the Borrower or which secures any obligation of any Person other than an obligation to the Borrower excluding liens applicable to property in which the Borrower has only a leasehold interest unless the lien secures Indebtedness.

*“Loan”* means, collectively, all loan installments by the Lender to the Borrower pursuant to this Agreement.

*“Loan Administrator”* means Building Hope Finance, a District of Columbia not for profit corporation.

*“Loan Administrator Fee”* means a one-time fee to paid to the Loan Administrator on the Closing Date equal to one percent of the principal amount of the Loan.

*“Loan Payments”* means those payments required to be paid by the Borrower pursuant to Section 5.01 hereof.

*“Management Agreement”* means the Management Services Agreement among IDEA, the Borrower and IDEA Florida dated as of the 1<sup>st</sup> day of January, 2020.

*“Maturity Date”* has the meaning set forth in Section 3.01 hereof.

“*Mortgage*” means the Second Lien Mortgage and Security Agreement with Assignment of Rents and Leases dated [DATE], 2022 including approved modifications thereto, between the Borrower, as Mortgagor, and the Lender, as Mortgagee, executed in connection with the Loan.

“*Net Proceeds*” means, when used with respect to any insurance payment or condemnation award, the gross proceeds thereof less the expenses (including attorneys’ fees) incurred in the collection of such gross proceeds.

“*Note*” means the Promissory Note, executed by the Borrower in the aggregate principal amount of \$8,673,535, to evidence the Borrower’s repayment obligation on the Loan, together with any renewals and extensions thereof, a form of which is attached hereto as Exhibit A.

“*Operating Expenses*” means fees and expenses of the Borrower incurred with respect to the Facilities, including maintenance, repair expenses, utility expenses, administrative and legal expenses, miscellaneous operating expenses, advertising costs, payroll expenses (including taxes), the cost of material and supplies used for current operations of the Borrower, the cost of vehicles, equipment leases and service contracts, taxes upon the operations of the Borrower not otherwise mentioned herein, charges for the accumulation of appropriate reserves for current expenses not annually recurrent, but which are such as may reasonably be expected to be incurred in accordance with Generally Accepted Accounting Principles, all in such amounts as reasonably determined by the Borrower; provided, however, “*Operating Expenses*” shall not include depreciation, amortization, expenses or other non-cash expenses nor those expenses which are actually paid from any revenues of the Borrower which are not Pledged Revenues,

“*Opinion of Counsel*” means an opinion in writing of legal counsel, who may be counsel to the Lender, the Loan Administrator or the Borrower.

“*Permitted Encumbrances*” means, as of any particular time, those items described on Exhibit D attached to the Mortgage and any of the following:

- (a) Liens for taxes and special assessments on the Facilities not then delinquent;
- (b) the Mortgage;
- (c) purchase money security interests with respect to any item of equipment related to the Facilities;
- (d) utility, access, and other easements and rights-of-way, mineral rights and reservations, restrictions and exceptions which would not in the aggregate (i) materially interfere with or impair any present use of the Facilities or any reasonably probable future use of the Facilities, or (ii) materially reduce the value which would be reasonably expected to be received for the Facilities upon any sale (including any foreclosure of the mortgage granted by the Mortgage);
- (e) mechanics’ and materialmen’s Liens related to the Facilities when payment of the related bill is not overdue and as may be contested as permitted by this Agreement;

(f) mechanics' and materialmen's Liens, security interests or other encumbrances related to the Facilities to the extent permitted in Section 6.01 hereof;

(g) judgment liens against the Borrower so long as such judgment is being contested and execution thereon is stayed or while the period for responsive pleading has not lapsed;

(h) (i) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license or permit, or provision of law, affecting the Facilities, to (A) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right would not materially impair the use of the Facilities or materially and adversely affect the value thereof, or (B) purchase, condemn, appropriate, or recapture, or designate a purchaser of, the Facilities; (ii) Liens on the Facilities for taxes, assessments, levies, fees, water and sewer charges, and other governmental and similar charges not yet due or delinquent; (iii) easements, rights-of-way, servitudes, restrictions and other minor defects, encumbrances and irregularities in the title to the Facilities which do not materially impair the use of the Facilities or materially and adversely affect the value thereof; or (iv) rights reserved to or vested in any municipality or public authority to control or regulate the Facilities or to use the Facilities in any manner, which rights do not materially impair the use of the Facilities or materially and adversely affect the value thereof;

(i) Liens and any other restrictions, exceptions, leases, easements or encumbrances which are existing the Closing Date, provided that no such Lien (or the amount of Indebtedness secured thereby), restriction, exception, lease, easement or encumbrance may be increased, extended, renewed or modified to apply to the Facilities not subject to such Lien on such date, unless such Lien as so extended, renewed or modified would otherwise qualify as a Permitted Encumbrance hereunder or is otherwise permitted pursuant to Section 8.12 hereof;

(j) Liens on the Facilities or the Pledged Revenues or any Indebtedness which meets the conditions described in Section 8.12 of this Agreement;

(k) Liens on the Facilities or the Pledged Revenues or any Indebtedness which meets the conditions described in the Senior Loan Documents; and

(l) Liens on the Facilities and the Pledged Revenues (subordinate to the Mortgage) to secure payment of Indebtedness subordinate to the obligations of the Borrower under Section 8.12 of this Agreement.

*"Person"* includes an individual, association, corporation, partnership, limited liability company, joint venture, any entity or a government or an agency or a political subdivision thereof.

*"Phase I Report"* means collectively, the Phase I Environmental Site Assessment prepared by Professional Service Industries, Inc., in connection with the Property, dated March 1, 2021.

*"Pledged Revenues"* means the total of all revenues of the Borrower directly attributable to the Facilities, and any gifts, grants, bequests or donations expressly dedicated to the Borrower for the Facilities or its operations related to the Facilities, including accounts receivable and rights to receive same plus investment and other income or loss of the Borrower in any fund or account



created under this Loan Agreement; provided, however, that no determination thereof shall take into account (a) any other income or revenues received by the Borrower from the operation of any other facility located in in Florida or any other state, (b) revenues from any management agreement between the Borrower and IDEA Florida, (c) any gains or losses resulting from the early extinguishment of Indebtedness or the reappraisal, reevaluation or write-up of assets, and (d) gifts, grants, bequests or donations and income thereon that is not expressly dedicated for the benefit of the Facilities or the Borrower by the donor or grantor or is dedicated for a purpose inconsistent with paying principal and interest on the Note.

*“Principal Payment Date,”* means, each February 1, May 1, August 1, and November 1, commencing May 1, 2024.

*“Project”* has the meaning given in the recitals to this Agreement.

*“Property”* has the meaning given in the Mortgage.

*“Protective Advance”* means any advance made for the payment of customary, reasonable and necessary “out-of-pocket” costs and expenses, including attorneys’ fees and expenses and fees of real estate brokers, paid or to be paid, as the context requires, by the Lender or the Loan Administrator in connection with the servicing of the Loan, after a default, delinquency or other unanticipated event has occurred or is reasonably foreseeable, including (i) any such costs and expenses associated with (A) the preservation, insurance, restoration, protection and management of the Facilities, including the cost of any insurance policy obtained by the Lender or the Loan Administrator, which policy is designed to provide insurance coverage in the event that one or more insurance policies, required to be obtained or maintained by the Borrower or Lessee lapses, is cancelled, is inadequate or is not in force, (B) real estate taxes, (C) obtaining any insurance and condemnation proceeds (net of expenses of collection) paid under any insurance policy or title insurance policy or in connection with the full or partial condemnation of the Facilities, in either case, to the extent such proceeds are not applied to the restoration of the Facilities, (D) obtaining any liquidation proceeds received, net of expenses, in connection with (1) the liquidation of the Facilities, Property or other Collateral, through foreclosure sale, or otherwise, exclusive of any portion thereof required to be released to the Borrower or Lessee or (2) the realization upon any deficiency judgment obtained against the Borrower in respect of the Loan, (E) any enforcement or judicial proceedings with respect to the Loan, including foreclosures and similar proceedings, (F) any expenses to cure or prevent any default with respect to the Senior Debt, (G) obtaining any appraisal or environmental report required to be obtained in connection with the servicing of the Loan, and (H) UCC filings (to the extent that the costs thereof are not reimbursed by the related Borrower), (ii) the reasonable and direct out-of-pocket travel expenses incurred by the Loan Administrator in connection with performing inspections at the Facilities.

*“Real Property”* has the meaning given in the Mortgage.

*“Required Liquidity Level”* has the meaning given in the Tampa 3 Lease.

*“Revocation Default”* means (i) the occurrence of any actual revocation, suspension termination, probation, restriction, limitation, forfeiture of or refusal to renew the Charter School Contract or charter school status of the School, or (ii) the issuance of any order, notice or directive by any granting authority or any court or agency having jurisdiction, and as a result of such order,

notice or directive, the School stops receiving any payments with respect to its operation of a charter school at the Facilities.

“*School*” means the charter school campus operated by the Lessee pursuant to the Charter School Contract.

“*Senior Debt*” means all indebtedness in the original principal amount of [\$18,000,000], together with interest and other amounts due thereon, all as set forth in the Senior Loan Documents.

“*Senior Lender*” means CLI Capital, a Texas real estate investment trust.

“*Senior Loan Documents*” means the Loan Agreement dated as of [DATE] 2022 between the Borrower and the Senior Lender, the Real Estate Lien Note dated [DATE], 2022, executed by the Borrower, the Security Agreement between the Borrower and the Senior Lender dated [DATE], 2022 and the Mortgage dated [DATE], 2022 made by the Borrower to the Senior Lender, and all other agreements and documents executed and or delivered pursuant thereto, as the same may be amended from time to time with the consent of the Lender as required by this Agreement.

“*State*” means the State of Florida.

“*Title Policy*” means an ALTA extended coverage lender’s policy of title insurance in a form acceptable to the Lender and Loan Administrator and issued by a title insurer acceptable to the Lender and Loan Administrator.

“*Total Enrollment Capacity*” is defined in Section 2.01(j) hereof.

“*Trademark Agreement*” means the Trademark License Agreement between IPS, as Licensor and the Lessee as, Licensee, to be executed no later than the date of the final disbursement of the Loan.

## **ARTICLE II REPRESENTATIONS**

**Section 2.01. Representations by the Borrower.** The Borrower represents, warrants and covenants that:

(a) It is duly organized and validly existing as a Texas nonprofit corporation and is authorized to do business in the State and in the State of Texas and in good standing under the laws of the State and the State of Texas, it will maintain, extend and renew its corporate existence under the laws of the State and the State of Texas and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted.

(b) IDEA is a “Hope Operator” as defined in Section 1002.333 Florida Statutes, as amended and is the sole member of the Borrower. IDEA has designated the Borrower as its affiliated agent to borrow from the State and to enter into this Agreement. The board of directors of IDEA serves as the Board of the Borrower. IDEA and the Borrower have

entered into the Management Agreement with IDEA Florida to operate the Schools of Hope charter schools in Tampa.

(c) The Borrower is organized and operated for the purpose and with the specific power to benefit, perform the functions of, and carry out the purposes of IDEA and other charter schools and educational organizations located in Texas, Louisiana, Florida and Ohio in order to promote education consistent with the IDEA model, facilitate charter school campus development projects and facilitating the attainment of higher education by providing college tuition assistance for charter school graduates. The Borrower has been duly authorized to execute each of the Borrower Documents and consummate all of the transactions contemplated thereby, and the execution, delivery, and performance of the Borrower Documents will not conflict with or constitute a breach of or default by the Borrower under any other instrument or agreement to which the Borrower is a party or by which its property is bound.

(d) There does not exist any default or event of default or violation by the Borrower of or under any of the terms, conditions or obligations of: (i) its articles or certificate of organization and operating agreement, or its other organizational documents, as applicable; (ii) any indenture, mortgage, deed of trust, franchise, permit, contract, agreement or other instrument to which it is a party or by which is bound; or (iii) to the Borrower's knowledge, any law, ordinance, regulation, ruling, order, injunction, decree, condition or other requirement applicable to or imposed upon it by any law, the action of any court or any governmental authority or agency and the Borrower's execution, delivery, and performance of the Borrower Documents shall not constitute a violation of any order, ruling, or regulation of any court or governmental authority or agency having jurisdiction over the Borrower.

(e) There are no pending or threatened actions, suits, or proceedings of any type whatsoever affecting the Borrower, the Borrower's property, or the Borrower's ability to execute, deliver, and perform with respect to any of the Borrower Documents.

(f) Neither the representations of the Borrower contained in the Borrower Documents nor any oral or written statement, furnished by or on behalf of the Borrower to the Lender in connection with the transactions contemplated hereby, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein not misleading. There are no facts that the Borrower has not disclosed to the Lender or the Loan Administrator in writing that materially and adversely affect or in the future may (so far as the Borrower can now reasonably foresee) materially and adversely affect the properties, business, prospects, profits, or condition (financial or otherwise) of the Borrower, or the ability of the Borrower to perform its obligations under the Borrower Documents or any documents or transactions contemplated hereby or thereby.

(g) The federal employer identification number of the Borrower is 84-4633153. The Borrower has filed, or will file when due, all returns and reports that are required to be filed by it in connection with any federal, State, State of Texas, local tax, duty or charge

levied, assess or imposed upon it or its property or withheld by it, including income, unemployment, social security and similar taxes and all of such taxes shall be timely paid.

(h) The use of the Facilities, as it is proposed to be operated, complies or will comply with all presently applicable or future zoning, development, pollution control, water conservation, environmental, and other laws, regulations, rules, and ordinances of the federal government and the State and the respective agencies thereof and the political subdivisions in which the Facilities are located.

(i) The Borrower has obtained, or will obtain before they are required, all necessary approvals of and licenses, permits, consents, and franchises from federal, State, county, municipal, or other governmental authorities having jurisdiction over the Facilities to acquire, construct, improve, equip, and operate the Facilities, and to enter into, execute, and perform its obligations under this Agreement and the other Borrower Documents. The Borrower owns or is licensed to use, if any, all patents, patent rights, trademarks, trade names, service marks, copyrights, intellectual property, technology, know-how and processes necessary for the conduct of its business as currently conducted that are material to the condition, financial and otherwise, business, or operations of the Borrower.

(j) The Facilities and the use of the Facilities, as designed and as proposed to be operated or caused to be operated by the Borrower, and when constructed and improved in accordance with such design, meet or will meet all material requirements of law, including requirements of any federal, State, county, city or other governmental authority having jurisdiction over the Facilities or its use and operation. The Facilities, when completed, will have a capacity for 1,645 student stations, consisting of 792 elementary school stations, 368 middle school stations and 485 high school stations (the "Total Enrollment Capacity"), with a total cost for all student stations calculated in accordance with Florida Statutes 1001.292 and 1013.64(6)(b).

(k) There has been no material adverse change in the financial condition, prospects, or business affairs of the Borrower or the feasibility or physical condition of the Facilities subsequent to the date on which the Lender approved the issuance of the Loan.

(l) The Borrower (i) understands the nature of the structure of the transactions related to the financing of the Project; (ii) is familiar with all the provisions of the documents and instruments related to such financing to which the Borrower or the Lender is a party or which the Borrower is a beneficiary; (iii) understands the risk inherent in such transactions, including, without limitation, the risk of loss of the Facilities; and (iv) has not relied on the Lender or the Loan Administrator for any guidance or expertise in analyzing the financial consequences of such financing transactions or otherwise relied on the Lender or Loan Administrator in any manner, except with respect to the Lender, to fund the Loan.

(m) Subsequent to Closing Date and prior to the execution and recordation by the Borrower of the Mortgage, the Borrower will not grant any Liens on the Project or the Pledged Revenues (other than the lien against the Pledged Revenues effected by this Agreement and Permitted Encumbrances).

(n) Upon the execution by the Borrower of the Mortgage and its subsequent recording, and upon the filing of UCC-1 financing statements or amendments thereto, the Lender will have a valid first Lien on the Real Property and the Collateral and a valid security interest in the personal property subject to no Liens, charges or encumbrances other than the Permitted Encumbrances. The Borrower has good and indefeasible title to all of its assets, including the Facilities, subject to no Liens, charges or encumbrances other than Permitted Encumbrances.

(o) As of the date of this Agreement, the Borrower is an organization organized and operated: (a) exclusively for charitable purposes; (b) not for pecuniary profit; and (c) no part of the net earnings of which inure to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of the Securities Act of 1933, as amended, and of the Securities Exchange Act of 1934, as amended; the Borrower agrees that it shall not perform any act nor enter into any agreement which shall change such status as set forth in this paragraph. No part of the proceeds of the Loan will be used for “purchasing” or carrying any margin stock within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time in effect or for any purpose which violates the provision of the Regulations of such Board of Governors.

(p) As of the date of this Agreement, and after giving effect to the transactions contemplated hereby and by the Senior Loan Documents (i) the aggregate value of the Borrower’s assets exceeds its liabilities (including contingent subordinated, unmatured and unliquidated liabilities); (ii) the Borrower has sufficient cash flow to enable it to pay its debts as they become due; and (iii) the Borrower does not have unreasonably small capital for the business in which it is engaged.

(q) Each employee benefit plan as to which the Borrower may have any liability complies in all material respects with all applicable provisions of the Employee Retirement Income Security Act of 1974 (as amended from time to time, “ERISA”), including minimum funding requirements, and (i) no Prohibited Transaction (as defined under ERISA) has occurred with respect to any such plan; (ii) no Reportable Event (as defined under Section 4043 of ERISA) has occurred with respect to any such plan which would cause the Pension Benefit Guaranty Corporation to institute proceedings under Section 4042 of ERISA; (iii) the Borrower has not withdrawn from any such plan or initiated steps to do so; and (iv) no steps have been taken to terminate any such plan.

(r) It has obtained the written consent of the Senior Lender to the incurrence of indebtedness under this Loan Agreement as required by the Senior Loan Documents.

**Section 2.02. Representations by the Lessee.** The Lessee represents and covenants that:

(a) It is duly organized and validly existing as a Florida nonprofit corporation and operates or will operate four Schools of Hope charter schools in Hillsborough County. It is in good standing under the laws of the State, it will maintain, extend and renew its corporate existence under the laws of the State, and it will not do, suffer or permit any act

or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted.

(b) IDEA Florida has entered into the Management Agreement with IDEA and the Borrower, pursuant to which IDEA has engaged the Borrower for purposes of performing certain educational and management services, as outlined therein, necessary for the ongoing operations of charter schools in Florida, consistent with applicable State law and industry standards.

(c) The Lessee is organized and operated for the purpose and with the specific power to establish and operate one or more charter schools, the Lessee has been duly authorized to execute each of the Lessee Documents and consummate all of the transactions contemplated thereby, and the execution, delivery, and performance of the Lessee Documents will not conflict with or constitute a breach of or default by the Lessee under any other instrument or agreement to which the Lessee is a party or by which its property is bound.

(d) There does not exist any default or event of default or violation by the Lessee of or under any of the terms, conditions or obligations of: (i) its articles or certificate of organization and operating agreement, or its other organizational documents, as applicable; (ii) any indenture, mortgage, deed of trust, franchise, permit, contract, agreement or other instrument to which it is a party or by which is bound; or (iii) to the Lessee's knowledge, any law, ordinance, regulation, ruling, order, injunction, decree, condition or other requirement applicable to or imposed upon it by any law, the action of any court or any governmental authority or agency and the Lessee's execution, delivery, and performance of the Lessee Documents shall not constitute a violation of any order, ruling, or regulation of any court or governmental authority or agency having jurisdiction over the Lessee.

(e) There are no pending or threatened actions, suits, or proceedings of any type whatsoever affecting the Lessee, the Lessee's property, or the Lessee's ability to execute, deliver, and perform with respect to any of the Lessee Documents.

(f) Neither the representations of the Lessee contained in the Lessee Documents nor any oral or written statement, furnished by or on behalf of the Lessee to the Lender or the Loan Administrator in connection with the transactions contemplated hereby, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein not misleading. There are no facts that the Lessee has not disclosed to the Lender or the Loan Administrator writing that materially and adversely affect or in the future may (so far as the Lessee can now reasonably foresee) materially and adversely affect the properties, business, prospects, profits, or condition (financial or otherwise) of the Lessee, or the ability of the Lessee to perform its obligations under the Lessee Documents or any documents or transactions contemplated hereby or thereby.

(g) The federal employer identification number of the Lessee is 84-3519271. The Lessee has filed, or will file when due, all returns and reports that are required to be

filed by it in connection with any federal, State, or local tax, duty or charge levied, assess or imposed upon it or its property or withheld by it, including income, unemployment, social security and similar taxes and all of such taxes shall be timely paid.

(h) The Lessee will comply with the Charter School Contract in all material respects and will take all reasonable action to maintain, extend and renew the Charter School Contract and to maintain its charter school status so long as any amounts under this Agreement are due and payable.

(i) The Lessee has obtained, or will obtain before they are required, all necessary approvals of and licenses, permits, consents, and franchises from federal, State, county, municipal, or other governmental authorities having jurisdiction over the Facilities to acquire, construct, improve, equip, and operate the Facilities, and to enter into, execute, and perform its obligations under this Agreement and the other Lessee Documents. The Lessee owns or is licensed to use, if any, all patents, patent rights, trademarks, trade names, service marks, copyrights, intellectual property, technology, know-how and processes necessary for the conduct of its business as currently conducted that are material to the condition, financial and otherwise, business, or operations of the Lessee.

(j) The Facilities and the use of the Facilities, as designed and as proposed to be operated or caused to be operated by the Lessee, and when constructed and improved in accordance with such design, meet or will meet all material requirements of law, including requirements of any federal, State, county, city or other governmental authority having jurisdiction over the Facilities or its use and operation.

(k) There has been no material adverse change in the financial condition, prospects, or business affairs of the Lessee or the feasibility or physical condition of the Facilities subsequent to the date on which the Lender granted its resolution approving the issuance of the Loan.

(l) The Lessee (i) understands the nature of the structure of the transactions related to the financing of the Project; (ii) is familiar with all the provisions of the documents and instruments related to such financing to which the Lessee or the Lender is a party or which the Lessee is a beneficiary; (iii) understands the risk inherent in such transactions, including, without limitation, the risk of loss of the Facilities; and (iv) has not relied on the Lender or the Loan Administrator for any guidance or expertise in analyzing the financial consequences of such financing transactions or otherwise relied on the Lender or the Loan Administrator in any manner, except with respect to the Lender, to fund the Loan.

(m) As of the date of this Agreement, and after giving effect to the transactions contemplated hereby and by the Senior Loan Documents (i) the aggregate value of the Lessee's assets exceeds its liabilities (including contingent subordinated, unmatured and unliquidated liabilities); (ii) the Lessee has sufficient cash flow to enable it to pay its debts as they become due; and (iii) the Lessee does not have unreasonably small capital for the business in which it is engaged.

(o) Each employee benefit plan as to which the Lessee may have any liability complies in all material respects with all applicable provisions ERISA, including minimum funding requirements, and (i) no Prohibited Transaction (as defined under ERISA) has occurred with respect to any such plan; (ii) no Reportable Event (as defined under Section 4043 of ERISA) has occurred with respect to any such plan which would cause the Pension Benefit Guaranty Corporation to institute proceedings under Section 4042 of ERISA; (iii) the Lessee has not withdrawn from any such plan or initiated steps to do so; and (iv) no steps have been taken to terminate any such plan.

(p) The Borrower covenants that substantial completion of the construction of the Project shall occur no later than July 15, 2023.

**Section 2.03. Borrower's Covenant to Cause Lessee to Comply with Charter School Laws.** The Borrower covenants to cause the Lessee to comply fully and in all respects with the provisions of the Act for the term of this Agreement.

**Section 2.04. Environmental Matters.** The Borrower does hereby represent and warrant to the Lender that:

(a) Except as set forth in the Phase I Report, the Borrower has not been informed of, nor does the Borrower have any knowledge of (i) the presence of any Hazardous Substances (as defined below) on any of the Facilities, or (ii) any spills, releases, threatened releases, discharges or disposals of Hazardous Substances that have occurred or are presently occurring on or onto any of the Facilities or any properties adjacent to any of the Facilities, or (iii) any spills or disposals of Hazardous Substances that have occurred or are presently occurring on any other properties as a result of any construction on or operation and use of the Facilities.

(b) In connection with the construction on or operation and use of any of the Facilities, the Borrower has no knowledge of any failure to comply with any applicable local, state or federal environmental laws, regulations, ordinances and administrative and judicial orders relating to the generation, treatment, recycling, reuse, sale, storage, handling, transport and disposal of any Hazardous Substances.

(c) The Borrower has not given any release or waiver of liability that would impair any claim based upon Hazardous Substances to a previous owner of any of the Facilities or to any party who may be potentially responsible for the presence of Hazardous Substances thereon nor has it made promises of indemnification regarding Hazardous Substances on or associated with any of the Facilities to any person other than the Lender Indemnified Parties.

(d) In the event that the Borrower becomes aware of the release of any Hazardous Substances on, or other environmental condition, problem or liability with respect to, any of the Facilities, the Borrower agrees to promptly notify the Lender and the Loan Administrator in writing of such condition. The Borrower further agrees to take actions to investigate and clean up the release of any Hazardous Substances on, or other environmental condition, problem or liability affecting, any of the Facilities, promptly after



the Borrower becomes aware of any such condition and to keep the Lender and the Loan Administrator advised of all such actions taken by the Borrower.

(e) As used in this Section, “Hazardous Substances” shall mean any substance or material at the level defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous or toxic chemical, a hazardous, toxic or radioactive substance, petroleum or other similar term, by any federal, State or local environmental statute, regulation or ordinance presently in effect or that may be promulgated in the future, as such statutes, regulations and ordinances may be amended from time to time, including, but not limited to, the following statutes: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the federal Hazardous Materials Transportation Law, 49 U.S.C. §§ 5101 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§ 6901 et seq.; the Clean Water Act, 33 U.S.C. §§ 1251 et seq. and the Clean Air Act, 42 U.S.C. §§ 7401 et seq.

(f) The representations and warranties set forth in this Section 2.04 shall survive the expiration or termination of the Borrower Documents, the payment of the Loan, and the discharge of any obligations owed by the parties to each other and will survive any transfer of title to the Facilities, whether by foreclosure, or otherwise and shall not be affected by any investigation by or on behalf of the Lender or any information which the Lender or Loan Administrator may have or obtain with respect thereto.

**Section 2.05. Conditions Precedent to Closing Date.** The obligation of the Lender to make the Loan to the Borrower shall not become effective until the date on which each of the conditions set forth on Exhibit C is satisfied as determined by, or waived by the Lender in its sole and absolute discretion.

### **ARTICLE III TERM OF THE AGREEMENT**

**Section 3.01. Term of the Loan.** This Agreement shall remain in full force and effect from the Closing Date until the Maturity Date (“Maturity Date”), which shall be, subject to any extension under Section 3.02, the earlier of: (i) the date on which all of the payments on the Note shall have been fully paid and all fees and expenses of the Lender accrued and to accrue through final payment of the Note and all other liabilities of the Borrower accrued and to accrue through final payment of the Note under this Agreement have been fully paid, (ii) the date on which the Senior Debt related to the Facilities has matured, (iii) [ ], 2029; or (iv) the termination date of IDEA’s status as a Hope Operator; provided, however, notwithstanding any other provision hereof (a) the indemnification provisions of Section 8.06 hereof and agreements contained in Section 2.04 and 10.04 hereof shall survive after the termination of the term of this Agreement.

**Section 3.02. Extension of the Term of the Loan.** The term of this Agreement may be extended at the sole discretion of the Lender, upon delivery of a written request to the Loan Administrator for such extension at least 180 days prior to the Maturity Date; provided however, that the term of the Loan may not exceed the earlier of (i) Maturity Date or (ii) the termination

date of IDEA's status as a Hope Operator. The Loan Administrator, may, in the sole and absolute discretion of the Lender, within 60 days following receipt of such request, provide to the Borrower written notice of whether the Lender is willing to extend the term of the Loan and the proposed terms, provided that in the event the Loan Administrator shall fail to provide the Borrower with any such notice, the Lender shall be deemed to have determined not to extend the term of the Loan. Any expression of willingness to extend the term of the Loan shall be subject to the conditions subsequent, whether or not stated in any such notice, that (1) any amendments to the terms of this Agreement or any other Borrower Document or Lessee Document, or Senior Loan Document deemed necessary by the Lender are executed by the parties and (2) the credit requirements of the Lender are satisfied as of the effective date of any extension. If the Borrower agrees to the terms proposed by the Lender, the Lender shall execute such documents as shall be necessary to give effect to such terms which shall be in form and substance satisfactory to the Lender, the Loan Administrator and their respective counsel.

#### **ARTICLE IV THE LOAN AND ACCOUNTS**

**Section 4.01. Loan of Proceeds.** The Lender agrees, upon the terms and conditions contained in this Agreement, to lend to the Borrower an amount equal to \$8,673,535, as determined by the calculations under the Act, subject to permanent reduction as provided in section 4.02 below. On the Closing Date, all of the proceeds of the Loan shall be disbursed by the Lender to the Loan Administrator. Upon receipt of the proceeds of the Loan, the Loan Administrator shall segregate an amount equal to \$[ ], representing the interest accrued on the Loan from the Closing Date until a date which is [18] months after the Closing Date ( the "Interest Reserve"). The Loan Administrator shall retain the Interest Reserve in an account held by or on behalf of the Loan Administrator (the "Interest Reserve Account") and shall, without any prior direction from the Borrower, withdraw amounts from such Account to pay interest due on the Loan until such Account is depleted.

**Section 4.02. Disbursements of the Loan; Reduction of Loan Amount.** Proceeds of the Loan on deposit with the Loan Administrator (other than the Interest Reserve) shall be disbursed upon the conditions set forth in the Disbursement Agreement, however, as set forth in the Disbursement Agreement, maximum disbursements under the Loan will be limited to an amount equal to \$7,715,788 until satisfactory verification has been provided to the Loan Administrator that the Total Enrollment Capacity has been approved by Hillsborough County. The Borrower will have 24 months from the Closing Date to provide the verification and if not provided, the Loan Amount and the amount of the Note shall be permanently reduced to \$7,715,788. Receipt and review of a full zoning report will be a condition of closing on the subject credit request. Any disbursements for a Cost of the Project shall be made pursuant to a Request for Advance executed by the Borrower and approved by the Lender in the form attached as Exhibit D to the Disbursement Agreement signed by an Authorized Representative of the Borrower and otherwise meeting the requirements and conditions of the Disbursement Agreement.

**Section 4.03. Title Insurance.** On the date of recordation of the Mortgage or any modification thereto, the Lender shall be provided with (i) an irrevocable, binding commitment to issue a standard owner's title insurance policy insuring the Borrower's interest, and (ii) an irrevocable, binding commitment to issue an extended form lender's title insurance policy insuring

the Lender's interest in, and Lien against, the Real Property described in the Exhibit A to the Mortgage, subject to Permitted Encumbrances, in an amount not less than the outstanding principal amount of the Loan. Each such policy shall be in the form of a standard or extended American Land Title Association Policy, as applicable. The Mortgage shall be recorded in the real property records of the applicable county and provide the Lender with a perfected first position Lien interest in the Facilities, subject to any Permitted Encumbrances.

## **ARTICLE V PAYMENT PROVISIONS**

### **Section 5.01. Loan Payments and Other Amounts Payable.**

(a) During the term of this Agreement the Borrower shall make payments as repayment of the Loan, as evidenced by the Note, until the principal of, premium, if any, and interest due thereunder shall have been paid or provision for the payment thereof shall have been made on each Interest Payment Date and each Principal Payment Date, as applicable. Interest on amounts outstanding hereunder, as evidenced by the Note, will be payable at a rate of [REDACTED]% per annum. Interest will be calculated based on the actual number of days that principal is outstanding over a year of 360 days. In no event will the rate of interest exceed the maximum rate allowed by law.

(b) During the term of this Agreement, the Borrower shall pay or provide for the payment of all taxes and assessments, general or special, concerning or in any way related to the Facilities or any part thereof, and any other governmental charges and impositions whatsoever related to the Facilities, and premiums for insurance policies maintained on the Facilities as required by this Agreement.

(c) The Borrower agrees to pay or cause to be paid to the Lender any amounts required to reimburse the Lender for any expenses incurred by the Lender, whether out-of-pocket or internal, in connection with this Agreement, the Loan, the Facilities or any other instrument or action relating to the foregoing, including fees and disbursements of attorneys of the Lender. The Borrower agrees that the payment under this Agreement shall be a net return to the Lender over and above any taxes or charges of any nature whatsoever which may currently or hereafter be imposed on the receipts of the Lender under this Agreement.

(d) The Borrower agrees to pay or cause to be paid to the Loan Administrator, the Loan Administrator Fee, and any amounts required to reimburse the Loan Administrator for any expenses incurred by the Loan Administrator, whether out-of-pocket or internal, in connection with this Agreement, the Loan, the Facilities or any other instrument or action relating to the foregoing, including fees and disbursements of attorneys of the Loan Administrator

(e) The Borrower agrees to reimburse the Lender or Loan Administrator, as applicable, for any Protective Advances paid on behalf of the Borrower by the Lender or the Loan Administrator, at such times and in such amounts, including any interest thereon, as are set forth by the Loan Administrator in a written notice to the Borrower.

(f) The payments described in (a) through (e) shall be made direct by the Borrower. In the event the Borrower should fail to make or fail to cause to be made any of the payments required by this Section, the item or installment in default shall continue as an obligation of the Borrower until the amount in default shall have been fully paid, and the Borrower agrees to pay the same and, to pay interest at the Default Rate.

**Section 5.02. Pledge and Assignment by Borrower.** In fulfillment of its obligations hereunder, the Borrower hereby grants, bargains, sells, assigns, pledges, sets over and confirms unto the Lender to secure the payment of the Loan and the Note securing such Loan, and grants Lender a security interest in the following, only subordinate to the Senior Debt:

(a) all Pledged Revenues; and

(b) any and all other interests in real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind specifically mortgaged, pledged or hypothecated as and for additional security by the Borrower or by anyone on its behalf.

**Section 5.03. Obligations of Borrower Hereunder Unconditional.** Except as provided herein, the obligations of the Borrower to make the payments required hereunder and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional. The Borrower (a) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for herein, (b) will perform and observe all of its other agreements contained in this Agreement, all other Borrower Documents, and (c) except as provided in Article XI hereof, will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure to complete the Facilities, failure of consideration, eviction or constructive eviction, destruction of or damage to the Facilities, commercial frustration of purpose, or change in the tax or other laws or administrative rulings of or administrative actions by the United States of America, the State, the State of Texas, or any political subdivision of any of the foregoing, any failure of the Lender to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Agreement, whether express or implied. The Borrower may at its own cost and expense and in its own name or in the name of the Lender, prosecute or defend any action or proceeding or take any other action involving third persons which the Borrower deems reasonably necessary in order to secure or protect its or its lessees' rights of possession, occupancy and use of the Facilities.

## **ARTICLE VI MAINTENANCE, TAXES AND INSURANCE**

**Section 6.01. Maintenance and Modifications of Facilities by Borrower.** The Borrower agrees that during the term of this Agreement the Facilities shall be operated and maintained, in compliance with all governmental laws, building codes, ordinances, and regulations and zoning laws as shall be applicable to such Facilities, unless the same are being contested in good faith by appropriate proceedings. The Borrower agrees that during the term of this Agreement it will at its own expense (a) keep the Facilities in as safe of a condition as required by law and (b) except to the extent the Borrower has determined that any portion of the Facilities are

obsolete or not useful in its operations, keep the Facilities in good repair and in good operating condition, making from time to time all necessary repairs thereto (including external and structural repairs) and renewals and replacements thereof all of which shall be accomplished in a workmanlike manner in accordance with all applicable laws. The Borrower may dispose of portions of the Facilities that the Borrower determines to be obsolete or not useful to operations of the Facilities. The Borrower may also, at its own expense, make from time to time any additions, modifications or improvements to the Facilities it may deem desirable for its purposes that do not substantially reduce its value; provided that all such additions, modifications and improvements made by the Borrower which are affixed to the Facilities shall become a part of the Facilities and subject to the Mortgage. The Borrower will not permit the removal of any personal property from the Facilities unless such personal property is obsolete, sold for fair market value or will be replaced with personal property of an equal or greater value.

The Borrower will not permit any Liens, security interests or other encumbrances other than Permitted Encumbrances to be established or to remain against the Facilities for labor or materials furnished in connection with the Facilities or any additions, modifications, improvements, repairs, renewals or replacements made by it to the Facilities; provided that if the Borrower first notifies the Lender of its intention to do so, the Borrower may, so long as no Event of Default has occurred and is continuing, diligently prosecute, in good faith, at its own expense, a contest of any mechanics' or other Liens filed or established against the Facilities and in such event may permit the items contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Facilities or any part thereof will be subject to loss or forfeiture, in which event the Borrower shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Lender will, at the expense of the Borrower, cooperate fully with the Borrower in any such contest.

**Section 6.02. Taxes, Other Governmental Charges and Utility Charges.** The Borrower will pay, as the same become due, (a) all taxes and governmental charges of any kind whatsoever or payments in lieu of taxes that may at any time be lawfully assessed or levied against or with respect to the Facilities or any interest therein, or any machinery, equipment, or other property installed or brought by the Borrower therein or thereon which, if not paid, will become a Lien on the Facilities or a charge on the Pledged Revenues prior to or on a parity with the charge thereon under this Agreement, (b) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Facilities and (c) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a Lien on the Facilities provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Borrower shall be obligated to pay only such installments as may have become due during the term of this Agreement.

The Borrower may, at its own expense, but only if no Event of Default (excluding the issue being contested hereunder) has occurred and is continuing, diligently prosecute and in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges contested to remain unpaid during the period of such contest and any appeal therefrom if, in the Opinion of Counsel, the Facilities shall not be subject to loss or forfeiture. In the event that the Borrower is not able to obtain such Opinion of Counsel, such taxes, assessments or charges shall be paid promptly or secured by posting a bond

with the Lender in form satisfactory to the Lender. The Lender at the expense of the Borrower shall cooperate fully with the Borrower in any such contest.

### **Section 6.03. Insurance Required.**

(a) Throughout the term of this Agreement, the Borrower shall provide, maintain and keep in force, or cause to be provided, maintained and kept in force, the following insurance coverages related to the Facilities paying as the same become due and payable all premiums with respect thereto:

(1) A lender's title insurance policy or policies in an aggregate amount as required by Section 4.03 herein with respect to the Facilities.

(2) Insurance against loss or damage to the Facilities and all improvements therein (including, during any period of time when the Borrower is making alterations, repairs or improvements to the Facilities, improvements and betterments coverage), all subject to standard form exclusions, with uniform standard extended coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at the time in use in the State, in an amount equal to the full replacement value of the Facilities, which may be evidenced by a full replacement rider on the policy.

(3) Commercial comprehensive general liability and, if applicable, automobile liability insurance against claims arising in, on or about the Facilities, including in, on or about the sidewalks or premises adjacent to the Facilities, providing coverage limits not less than \$1,000,000 per occurrence and \$2,000,000 in aggregate.

(4) Business interruption insurance sufficient to pay not less than 12 months debt service on all Indebtedness (including debt service on the Loan) and fixed Operating Expenses for the Facilities as reasonably determined by the Borrower and its insurance carrier.

(5) Such other forms of insurance as are customary in the industry or as the Borrower is required by law to provide with respect to the Facilities, including, without limitation, any legally required worker's compensation insurance and disability benefits insurance.

(b) All the insurance coverage required by this Section may be subject to deductible clauses in such amounts as are customary for facilities of similar size, type and character within the State. On or before January 1, 2024 and at least every three years thereafter, the Borrower shall employ (or cause to be employed), at its own expense, an Insurance Consultant to review the insurance coverage required by this Section and to render to the Lender a report as to the adequacy of such coverage and as to its recommendations, if any, for adjustments thereto. The insurance coverage required by this Section may be reduced or otherwise adjusted by the Borrower without the consent of the Lender, provided that all coverages after such reduction or other adjustment are certified by the Insurance Consultant to be adequate and customary for facilities of like size, type

and character, taking into account the availability of such insurance, the terms upon which such insurance is available, the cost of such available insurance and the effect of such terms and such cost upon the Borrower's fees, rentals and charges for the use of the Facilities.

(c) The insurance coverage required by this Section shall be increased or otherwise adjusted by the Borrower if as a result of such review the Insurance Consultant finds that the existing coverage is inadequate, taking into account the availability of such insurance, the terms upon which such insurance is available, the cost of such available insurance, and the effect of such terms and such cost upon the Borrower's costs and charges for its services. The insurance coverage required by this Section, and modification thereof permitted or required by this paragraph, shall at all times be adequate and customary for facilities of like size, type and character, and the Borrower shall request that the Insurance Consultant so certify in the report required by this Section. The Borrower shall pay any fees charged by such Insurance Consultant and any expenses incurred by the Lender.

(d) All policies maintained (or caused to be maintained) by the Borrower pursuant to this Section shall be taken out and maintained with generally recognized, responsible insurance companies rated not less than "A-" by A.M. Best, authorized in the State, which may include "captive" insurance companies or governmental insurance pools, selected by the Borrower. The insurance policies with respect to the Facilities required by this Section shall name the Lender and the Borrower as insureds as their respective interests may appear (provided that with respect to insurance maintained pursuant to subsection (a)(1) of this Section and Section 4.03 herein, the Lender shall also be named as a mortgagee under the terms of a standard State mortgagee loss payable endorsement), and the Lender shall also be named as an additional insured on the policies with respect to the Facilities required by this Section, and, provided further that all insurance proceeds for losses with respect to the Facilities and except for worker's compensation, fidelity insurance and liability insurance, shall be paid directly to or at the direction of the Lender. Such policies or certificates of insurance shall (i) provide that the insurer will endeavor to mail 30 days' written notice to the Lender of any amendment or cancellation prior to expiration of such policy, and (ii) be satisfactory in all other respects to the Lender.

(e) The Borrower shall deliver to the Lender (a) upon the date of issuance of the Loan, the certificate of insurance which the Borrower is then required to maintain pursuant to this Section, together with evidence as to the payment of all premiums then due thereon, (b) at least 30 days prior to the expiration of any such policies evidence as to the renewal thereof, if then required by this Section, and the payment of all premiums then due with respect thereto, and (c) promptly upon request by the Lender or the Loan Administrator, but in any case within 90 days after the end of each Fiscal Year, a certificate of an Authorized Representative of the Borrower setting forth the particulars as to all insurance policies maintained by the Borrower pursuant to this Section and certifying that such insurance policies are in full force and effect, that such policies comply with the provisions of this Section and that all premiums then due thereon have been paid, and together with, if requested by the Lender or the Loan Administrator, certificates of insurance for such policies.

**Section 6.04. Application of Net Proceeds of Insurance.** The Net Proceeds of the insurance carried with respect to the Facilities pursuant to subsections (1) and (2) of Section 6.03(a) hereof shall be applied as provided in Article VII hereof. The Net Proceeds of insurance carried with respect to the Facilities pursuant to subsections (3), (4) and (5) of Section 6.03(a) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds have been paid.

## **ARTICLE VII DAMAGE, DESTRUCTION AND CONDEMNATION**

**Section 7.01. Damage, Destruction and Condemnation.** In the event of a casualty or condemnation with respect to the Facilities, and so long as no Event of Default exists and is continuing, the Net Proceeds from any insurance policy or the Net Proceeds of any condemnation award resulting from such casualty or condemnation shall be applied as set forth in the provisions of the Mortgage, subject to any modifications thereto in the Senior Loan Documents.

**Section 7.02. Mandatory Prepayment from Insurance or Condemnation Proceeds.** If the Net Proceeds of any insurance policy or condemnation award with respect to the Facilities are in excess of \$500,000, subject to the Senior Loan Documents, the Loan and Note securing the Loan are subject to mandatory prepayment as a whole or in part at the principal amount thereof plus accrued interest thereon to the date of prepayment, but without premium, from the Net Proceeds, if any of the events set forth below shall occur:

(a) The Facilities shall have been damaged or destroyed in whole or in part to such extent that, as expressed in a certificate of an Authorized Representative of the Borrower filed with the Lender, (i) the Facilities cannot reasonably be restored within a period of six (6) consecutive months to the condition thereof immediately preceding such damage or destruction, (ii) the Borrower is prevented from carrying on its normal operations for a period of six (6) consecutive months, or (iii) the cost of restoration thereof would exceed the Net Proceeds of insurance carried thereon pursuant to the requirements of Section 6.03 hereof;

(b) Title to, or the temporary use for a period of six (6) months or more of, all or substantially all of the Facilities shall have been taken under the exercise of the power of eminent domain by any governmental authority, or person, firm or corporation acting under governmental authority or because of a defect in title; and

(c) As a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) entered after the contest thereof by the Borrower in good faith, this Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in this Agreement.

**Section 7.03. No Change in Loan Payments; No Liens.** All buildings, improvements and equipment acquired in the repair, rebuilding or restoration of the Facilities shall be deemed a part of the Facilities and shall be available for use and occupancy by the Borrower, without the



payment of any payments hereunder other than the Loan Payments and other payments required to be made under this Agreement, to the same extent as if they were specifically described herein; provided that no buildings, improvements or equipment shall be acquired subject to any Lien or encumbrance other than Permitted Encumbrances.

## **ARTICLE VIII SPECIAL COVENANTS**

**Section 8.01. No Warranty of Condition or Suitability by the Lender.** The Lender makes no warranty, either express or implied, as to the Facilities or that it will be suitable for the Borrower's purposes or needs or that the proceeds of the Loan will be sufficient to pay the Costs of the Project.

**Section 8.02. Consolidation, Merger, Sale or Conveyance.** The Borrower agrees that during the term of this Agreement it will maintain its corporate existence, will continue to be a nonprofit corporation duly qualified to do business in the States of Florida and Texas, will not merge or consolidate with, or sell or convey, all or substantially all of its interest in the Facilities to, any Person unless

- (a) no Event of Default has occurred and is continuing,
- (b) it first acquires the consent of the Lender to such transaction, and
- (c) unless the acquirer of the interest in the Facilities or the corporation with which it shall be consolidated or the resulting corporation in the case of a merger:
  - (1) shall assume in writing the performance and observance of all covenants and conditions of this Agreement and prior to such merger consolidation, sale, or conveyance, the Borrower shall deliver to the Lender an Officer's Certificate to the effect that following such merger, consolidation, sale, or conveyance, the resultant entity shall continue to be in compliance with all covenants and conditions of this Agreement;
  - (2) shall provide the Lender with an Opinion of Counsel to the Borrower (which may be rendered in reliance upon the Opinion of Counsel to such other corporation), stating that none of the other corporations which are a party to such consolidation, merger or transfer has any pending litigation other than that arising in the ordinary course of business or, has any pending litigation which might reasonably result in a substantial adverse judgment. For the purposes of the preceding sentence, the term "substantial adverse judgment" shall mean a judgment in an amount which exceeds the insurance or reserves therefor by a sum which is more than 2% of the aggregate net worth of the resulting, surviving or transferee corporation immediately after the consummation of such consolidation, merger or transfer and after giving effect thereto; and
  - (3) shall deliver to the Lender within 30 days of the close of such transaction, copies of all documents executed in connection therewith, one document of which shall include an Opinion of Counsel that all conditions herein

have been satisfied and that all liabilities and obligations of the Borrower under the Borrower Documents shall become obligations of the new entity; provided, however, the Borrower shall not be released from same.

**Section 8.03. Further Assurances.** The Lender and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

**Section 8.04. Audits.**

(a) The Borrower agrees that it will have its books and records audited annually, commencing with the Fiscal Year ending June 30, 2021, by an Accountant as soon as practicable after the close of such Fiscal Year, and shall furnish within 180 days after the end of such Fiscal Year to the Lender, a copy of the audit report (which report shall convert quarterly information prepared in accordance with practices generally used for public school accounting to an audited report prepared in accordance with Generally Accepted Accounting Principles).

(b) The Lessee agrees that it will have its books and records audited annually, commencing with the Fiscal Year ending June 30, 2021, by an Accountant as soon as practicable after the close of such Fiscal Year, and shall furnish within 180 days after the end of such Fiscal Year to the Lender, a copy of the audit report (which report shall convert quarterly information prepared in accordance with practices generally used for public school accounting to an audited report prepared in accordance with Generally Accepted Accounting Principles).

**Section 8.05. Financial Statements; Reports; Quarterly Certificate.**

(a) Maintenance of Books and Accounts. The Borrower and the Lessee agree that they will maintain proper books of records and accounts with full, true and correct entries of all of its dealings substantially in accordance with Generally Accepted Accounting Principles, and such other data and information as may reasonably be requested by the Lender from time to time of which Borrower or the Lessee, as applicable, has written notice.

(b) Financial Reports, Enrollment Reports and Charter Compliance Reporting. The Borrower shall provide to the Lender as soon as is practicable, the amount of money that the Lessee will receive from the State with respect to the School for the forthcoming school year. In the event that such information is not available by July 1 for the next succeeding school year, the Borrower shall notify the Lender in writing of such fact, which notice shall specify when the Borrower anticipates receipt of the foregoing information, and the Borrower will provide such information when it becomes available. In addition, the Borrower shall provide, or cause the Lessee to provide, to the Lender, at the times specified below, or as soon as practicable if the timeframe or date is not otherwise specified: (i) a copy of the Lessee's annual budget with respect to School, certified by the Lessee on or before August 15 of each Fiscal Year, commencing August 15, 2022; (ii) on

or before February 15 and August 15 of each Fiscal Year, (A) commencing February 15, 2022, a copy of the semiannual budget for the School for such semiannual period and (B) commencing February 15, 2022 a statement comparing actual expenditures to budgeted expenditures for the immediately preceding semiannual period, (iii) the enrollment and average daily membership data for the School, as reported to the State in each February and October, or any other reporting requirements statutorily required in the future; (iv) copies of written complaint notifications from the Authorizer, along with copies of the Lessee's responses thereto, within ten days of responding thereto; (v) notices of any meeting in which the Lessee is before Authorizer for issues of non-compliance along with the minutes of such meetings and any responses provided by the Borrower and (vi) notice of non-renewal or termination of the Charter School Contract.

(c) **Lease Payment Coverage Ratio.** The Borrower agrees to use all reasonable efforts to confirm Lessee's compliance with the Lease Payment Coverage Ratio set forth in Section 15 of the Tampa 3 Lease and to ensure any necessary corrective actions prescribed therein are properly and timely implemented.

(d) **Required Liquidity Level.** The Borrower agrees to use all reasonable efforts to confirm Lessee's compliance with the Required Liquidity Level set forth in Section 15 of the Tampa 3 Lease and to ensure any necessary corrective actions prescribed therein are properly and timely implemented.

(e) **Maintenance of Lien Position.** On or before the 60th day before the third anniversary of the Closing Date and every three (3) years thereafter, the Borrower shall provide the Lender with a certificate attaching a copy of the actual filed UCC continuation statement necessary to preserve the Lien on and security interest in the Property (as defined in the Mortgage) and the Lien on the Pledged Revenues.

(f) **Quarterly Reports.** Not later than 45 days following each calendar quarter, commencing with the calendar quarter ending June 30, 2022, the Lessee and the Borrower shall deliver to the Loan Administrator a report relating to each calendar quarter (the "Quarterly Report"). The Quarterly Reports initially will contain or incorporate by reference the following (information to be as of the end of the calendar quarter):

(1) The Borrower's balance sheet and the Lessee's balance sheet;

(2) For each of the Borrower and the Lessee: a separate statement of activities, showing year-to-date information and comparing year-to-date with budgeted information; and

(3) The Borrower's income statement and the Lessee's income statement.

(g) **Annual Community Benefit Impact Report.** The Borrower will deliver to the Lender annually, within thirty (30) days after the end of each calendar year, a community benefit impact report with respect to Borrower showing the following: (i) the number of low income students attending the school; (ii) the gender and ethnicity composition of the student population; (iii) the number of FTEs of educational staff and

other staff; (iv) the percentage of students proficient in language arts and math; (v) staff turnover broken out by educational staff and other staff; (vi) the ethnicity and gender composition of the Board; (vii) student retention rate; and (viii) graduation rate, after providing 12 grades of classes.

#### **Section 8.06. Release and Indemnification Covenants.**

(a) The Borrower agrees to pay, defend, protect, indemnify, and hold each of the Lender Indemnified Parties, harmless for, from and against any and all Liabilities directly or indirectly arising from or relating to the Loan, this Agreement, the Facilities and the Mortgage and any and all Liabilities directly or indirectly arising from or relating to the Loan or any document related to the Loan, including, but not limited to, the following:

(1) Any injury to or death of any person or damage to property in or upon the Facilities or growing out of or connected with the use, non-use, condition, or occupancy of the Facilities or any part thereof;

(2) Violation of any agreement, covenant, or condition of any of the Borrower Documents;

(3) Violation of any agreement, contract, or restriction relating to the Facilities;

(4) Violation of any law, ordinance, or regulation affecting the Facilities or any part thereof or the ownership, occupancy, or use thereof;

(5) The issuance of the Loan;

(6) Any environmental condition or omission related to the Facilities;  
and

(7) Any statement, information, or certificate furnished by the Borrower to any Lender Indemnified Party which is misleading, untrue, incomplete, or incorrect in any respect.

(b) The Borrower also agrees to pay, defend, protect, indemnify, and hold each of the Lender Indemnified Parties harmless for, from, and against any and all Liabilities directly or indirectly arising from or relating to (i) any errors or omissions of any nature whatsoever contained in any legal proceedings or other official representation or inducement made by or to the Lender by or on behalf of the Borrower pertaining to the Loan, and (ii) any fraud or misrepresentations or omissions contained in the proceedings of the relating to the issuance of the Loan or pertaining to the financial condition of the Borrower.

(c) Subsections (a) and (b) above are intended to provide indemnification to each Lender Indemnified Party for his or her active or passive negligence or misconduct;

provided, however, nothing in subsections (a) and (b) above shall be deemed to provide indemnification to any Lender Indemnified Party with respect to any Liabilities arising from the successful allegation of fraud, gross negligence, or willful misconduct of such party.

(d) Any party entitled to indemnification hereunder shall notify the Borrower of the existence of any claim, demand, or other matter to which the Borrower's indemnification obligation applies, and shall give the Borrower a reasonable opportunity to defend the same at its own expense and with counsel satisfactory to the Lender Indemnified Party provided that the Lender Indemnified Party shall at all times also have the right to fully participate in the defense. If the Lender Indemnified Party is advised in an Opinion of Counsel that there may be legal defenses available to either of them which are different from or in addition to those available to the Borrower or if the Borrower shall, after receiving notice of the Borrower's indemnification obligation and within a period of time necessary to preserve any and all defenses to any claim asserted, fails to assume the defense or to employ counsel for that purpose satisfactory to the Lender Indemnified Party, the Lender Indemnified Party, shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter on behalf of, for the account of, and at the risk of, the Borrower.

The Borrower shall be responsible for the reasonable counsel fees, costs, and expenses of the Lender Indemnified Parties in conducting its defense.

Notwithstanding the foregoing, the Borrower shall not be considered an "Indemnified Party" for purposes of this Section.

**Section 8.07. Authority of Authorized Representative of the Borrower.** Whenever under the provisions of this Agreement or the Senior Loan Documents the approval of the Borrower is required, or the Lender is required to take some action at the request of the Borrower, such approval or such request shall be made by the Authorized Representative of the Borrower unless otherwise specified in this Agreement or the Senior Loan Documents. The Lender shall be authorized to act on any such approval or request and the Borrower shall have no complaint against the Lender as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions of this Agreement or the Senior Loan Documents by an Authorized Representative of the Borrower shall be on behalf of the Borrower and shall not result in any personal liability of such Authorized Representative.

**Section 8.08. Right to Inspect.** Following reasonable notice to the Borrower or the Lessee, as applicable, at any and all reasonable times during business hours, the Lender and the Loan Administrator, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect the Facilities, including all books and records of the Borrower and the Lessee (excluding records the confidentiality of which may be protected by law), and to make such copies and memoranda from and with regard thereto as may be desired; provided, however, that they shall maintain these books and records in confidence unless required by applicable law to do otherwise and it is necessary to distribute the information to some other third party under applicable law.

**Section 8.09. Lease of the Facilities.** The Tampa 3 Lease is expressly permitted by this Agreement. The Borrower may not subject the Facilities to any lease other than the Tampa 3 Lease without the prior written consent of the Lender.

**Section 8.10. Nonsectarian Use.** The Lessee agrees that it will be nonsectarian in its programs, admission policies and employment practices and all other operations. The Lessee will comply with all applicable State and federal laws concerning discrimination on the basis of race, creed, color, sex, national origin, or religious belief and will respect, permit, and not interfere with the religious beliefs of persons working for the Lessee.

**Section 8.11. Limitations on Incurrence of Additional Indebtedness of the Borrower.** Assuming no Event of Default under any Borrower Document or Senior Loan Document has occurred and is continuing or will result from the issuance of any additional Indebtedness, the Borrower may incur additional Indebtedness with the written consent of the Lender.

**Section 8.12. Limitations on Incurrence of Additional Indebtedness of the Lessee.** Assuming no Event of Default under any Lessee Document has occurred and is continuing or will result from the issuance of any additional Indebtedness, the Lessee may incur additional Indebtedness with the written consent of the Lender.

**Section 8.13. Covenant to Comply with Senior Loan Documents.** The Borrower hereby acknowledges receipt of the Senior Loan Documents, agrees to be bound by its terms and accepts all obligations and duties imposed thereby.

**Section 8.14. Subordination of Management Fees.** The Borrower covenants and agrees that any fees payable to any third-party management company retained by it with respect to the management of the Facilities and/or any fees paid to any Affiliate of the Borrower or third party for central office/administrative services (such fees collectively referred to as “Manager Fee” and such management company or the provider of such services, the “Manager”) shall be subordinate to the payments due pursuant to Section 5.01 hereof and shall only be paid after all payments due pursuant to Section 5.01 hereof have been made hereunder on a monthly basis. In the event that a monthly Manager Fee payment has been made to the Manager by the Borrower and the Borrower is unable to make any payments when due hereunder in full in the same fiscal year, the Borrower shall cause the Manager to repay such Manager Fee to the Lender in an amount equal to the deficiency hereunder.

**Section 8.15. Borrower Documents, Lessee Documents and Senior Loan Documents.** The Borrower, may not modify, terminate or amend any of the Borrower Documents, the Lessee Documents or Senior Loan Documents without the prior written consent of the Lender. The Lessee, agrees not to modify, terminate or amend any of the Lessee Documents without the prior written consent of the Lender

**Section 8.16. Continuation of Operation in Event of Casualty.** In the event of any damage to or destruction of the Facilities or any part thereof by fire, lightning, vandalism, malicious mischief and extended coverage perils, the Borrower shall make all diligent and reasonable efforts to continue operation of the Facilities in such a manner that will ensure

continuation of Pledged Revenues or shall otherwise obtain other or use financing resources to continue operation of the Facilities and ensure due and timely payment of the Loan Payments.

**Section 8.17. Construction Reports.** The Borrower shall provide to the Lender and the Loan Administrator all reports related to construction at the Facilities at the same time such reports are required to be delivered under the Senior Loan Documents, the Tampa 3 Lease, any construction related documents and the Senior Loan Documents.

## **ARTICLE IX [RESERVED]**

## **ARTICLE X EVENTS OF DEFAULT AND REMEDIES**

**Section 10.01. Events of Default Defined.** The following shall be Events of Default under this Agreement and the term Event of Default shall mean, whenever it is used in this Agreement, any one or more of the following events:

(a) Failure by the Borrower to pay the Loan Payments required to be paid under Section 5.01(a) hereof and continuation thereof for a period of three Business Days.

(b) Failure to observe or perform any other covenant, agreement, contract or other provision of this Loan Agreement, the Borrower Documents or the Lessee Documents (other than as referred to in (a) of this Section) and such default shall continue for a period of 30 days after written notice to the Borrower from the Lender, specifying such default and requiring the same to be remedied; provided that, with respect to any such failure covered by this subsection (b), no Event of Default shall be deemed to have occurred so long as a course of action adequate to remedy such failure shall have been commenced within such 30-day period and shall thereafter be diligently prosecuted to completion and the failure shall be remedied thereby within 90 days of such notification.

(c) The dissolution or liquidation of the Borrower, or failure by the Borrower to promptly contest and have lifted any execution, garnishment, or attachment of such consequence as will impair its ability to meet its obligations or to make any payments under this Loan Agreement. The phrase "dissolution or liquidation of the Borrower," as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Borrower resulting either from a merger or consolidation of the Borrower into or with another domestic corporation or a dissolution or liquidation of the Borrower following a transfer of all or substantially all of its assets under the conditions permitting such actions contained in Section 8.02 hereof.

(d) The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of the Borrower in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Borrower or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days.

(e) The commencement by the Borrower of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by it to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Borrower or for any substantial part of its property, or the making by it of any assignment for the benefit of creditors, or the failure of the Borrower generally to pay its debts as such debts become due, or the taking of corporate action by the Borrower in furtherance of any of the foregoing.

(f) Any representation or warranty made by the Borrower herein or made by the Borrower in any Borrower Documents or any statement, application or certificate furnished by the Borrower to the Lender or the Loan Administrator either required hereby or in connection with the execution and delivery of this Loan Agreement and the Loan, shall prove to have been untrue in any material respect as of the date of the issuance or making thereof.

(g) Judgment for the payment of money in excess of \$50,000.00 (which is not covered by insurance) is rendered by any court or other governmental body against the Borrower, and the Borrower does not discharge same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof within 60 days from the date of entry thereof, and within said 60-day period or such longer period during which execution of such judgment shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal while providing such reserves therefor as may be required under Generally Accepted Accounting Principles.

(h) A writ or warrant of attachment or any similar process shall be issued by any court against the Facilities, and such writ or warrant of attachment or any similar process is not released or bonded within 60 days after its entry.

(i) Any of Borrower's representations and warranties herein or in any of the other Borrower Documents with respect to environmental matters are false in any material respect.

(j) Any of Lessee's representations and warranties herein or in any of the other Lessee Documents with respect to environmental matters are false in any material respect.

(k) The occurrence of a Revocation Default.

(l) The occurrence of an Event of Default under any Lessee Documents or under the Senior Loan Documents.

(m) The occurrence of an Event of Default under any document relating to Indebtedness.

The foregoing provisions of subsection (b) of this Section are subject to the following limitations: If by reason of force majeure the Borrower is unable in whole or in part to carry out its agreements herein contained, other than the obligations on the part of the Borrower contained in Article V and in Sections 6.02, 6.03, and 8.06 hereof, the Borrower shall not be deemed in



default during the continuance of such inability. The term “force majeure” as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fire; hurricane; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Borrower. The Borrower agrees, however, if possible, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Borrower, and the Borrower shall not be required to make settlement of strikes, lockouts or other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Borrower unfavorable to the Borrower.

**Section 10.02. Remedies on Default.** Whenever an Event of Default referred to in Section 10.01 hereof shall have occurred and is continuing, the Lender, subject to the Senior Loan Documents, may take any one or more of the following remedial steps:

(a) The Lender may declare the Loan Payments payable hereunder for the remainder of the term of this Agreement to be immediately due and payable, whereupon the same shall become due and payable.

(b) The Lender may exercise the power of sale or foreclose under the Mortgage on the Facilities and may realize upon the security interest in the Pledged Revenues and may exercise all the rights and remedies of a secured party under the Florida Uniform Commercial Code with respect thereto.

(c) The Lender may take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance or observance of any obligations, agreements, or covenants of the Borrower under this Agreement.

Notwithstanding the foregoing, prior to the exercise by the Lender of any remedy that would prevent the application of this paragraph, the Borrower may, at any time, pay all accrued payments hereunder (exclusive of any such payments accrued solely by virtue of declaration pursuant to subsection (a) of the first paragraph of this Section) and fully cure all defaults, and in such event, the Borrower shall be fully reinstated to its position hereunder as if such Event of Default had never occurred.

In the event that the Borrower fails to make any payment required hereby, the payment so in default shall continue as an obligation of the Borrower until the amount in default shall have been fully paid.

Any amounts collected pursuant to action taken under the immediately preceding paragraph, after reimbursement of any costs incurred by the Lender in connection therewith shall be applied in accordance with the provisions of this Agreement.

If the Lender shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Lender, then and in every such case, the Borrower and the Lender shall be restored to their respective positions and rights hereunder, and all rights, remedies and powers of the Borrower and the Lender shall continue as though no such proceedings had been taken.

**Section 10.03. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required herein or by applicable law.

**Section 10.04. Agreement to Pay Attorneys' Fees and Expenses.** In the event the Borrower should breach any of the provisions of this Agreement and the Lender should employ attorneys or incur other expenses for the collection of Loan Payments or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it will on demand therefore pay to the Lender the reasonable fees of such attorneys and such other reasonable expenses incurred by the Lender. The obligations of the Borrower arising under this Section shall continue in full force and effect notwithstanding the final payment of the Loan or the termination of this Agreement.

**Section 10.05. Waiver.** In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach waived and shall not be deemed to waive any other breach hereunder. Notwithstanding the foregoing, a waiver of an Event of Default under the Senior Loan Documents or the Tampa 3 Lease or a rescission of a declaration of acceleration of the Loan and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event of Default under this Agreement and a rescission and annulment of its consequences; provided, that no such waiver or rescission shall extend to or affect any subsequent or other default hereunder or impair any right consequent thereon.

**Section 10.06. Treatment of Funds in Bankruptcy.** The Borrower acknowledges and agrees that in the event the Borrower commences a case under the United States Bankruptcy Code located at 11 U.S.C. § 101 *et. seq.* (the "Bankruptcy Code") that results in an order for relief under the Bankruptcy Code: (i) amounts on deposit in any funds or accounts held by or on behalf of the Lender (the "Funds") are not, nor shall they be deemed to be, property of the Borrower's bankruptcy estate as defined by § 541 of the Bankruptcy Code; (ii) that in no event shall the Borrower assert, claim or contend that amounts on deposit in any of the Funds are property of Borrower's bankruptcy estate; and (iii) that amounts on deposit in any of the Funds are held in trust solely for the benefit of the Lender and shall be applied only in accordance with this Agreement and the other Borrower Documents, and the Borrower has no legal, equitable nor reversionary interest in, or right to, such amounts.

## **ARTICLE XI PREPAYMENT OF THE LOAN**

**Section 11.01. General Option to Prepay the Loan.** Subject to the terms of the Senior Loan Documents, so long as no Event of Default pursuant to Section 10.01 hereunder exists, the Borrower shall have and is hereby granted the option exercisable on any Interest Payment Date to prepay all or any portion of the Loan by depositing with the Lender an amount of money or securities sufficient to pay the outstanding principal amount and all interest accrued on the Loan to and including the prepayment date. In the event the Borrower prepays all of the Loan pursuant to this Section, pays all reasonable and necessary fees and expenses of the Lender accrued and to accrue through final payment of the Loan this Agreement shall terminate except as otherwise provided herein.

**Section 11.02. Mandatory Prepayment and Recalculation of the Loan.** If at any time the capacity of the Facilities falls below the capacity represented in Section 2.01(j) hereof, the Borrower shall notify the Loan Administrator of the amount of such reduced capacity and the new total amount of student stations. The Loan Administrator shall then recalculate the size of the Loan (the “Adjusted Loan Amount”), taking into account the limitation set forth in Florida Statute Section 1001.292, and the Borrower shall promptly prepay to the Lender the portion of the Loan which exceeds the Adjusted Loan Amount.

**Section 11.03. Notice of Prepayment.** In order to exercise the option granted by Section 11.01, the Borrower shall give written notice to the Lender no less than thirty (30) days prior to the date of prepayment.

## **ARTICLE XII MISCELLANEOUS**

**Section 12.01. Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by certified mail, return receipt requested, postage prepaid, facsimile (confirmed by certified mail), electronic mail or overnight courier, addressed as follows:

If to the Lender:

Adam Emerson  
Charter School Director  
State of Florida, Department of Education, its  
Successors and/or Assigns  
Turlington Building  
325 West Gaines Street  
Tallahassee, FL 32399

If to the Loan Administrator: Building Hope Finance  
1776 Eye Street NW, Suite 200  
Washington, DC 20006  
Attention: Robin Odland, President  
Telephone: 202-457-1989

If to the Borrower: IPS Enterprises, Inc.  
9555 W. Sam Houston Parkway South, Suite 200  
Houston, TX 77099  
Attention: Chief Executive Officer  
Telephone: (713) 900-7173

If to the Lessee: IDEA Florida, Inc.  
4651 Salisbury Road, Suite 418  
Tampa, FL 32256  
Attention: Chief Financial Officer  
Telephone: (850) 766-9770

Unless and until direction is given by the Lender to the contrary, all notices, reports, certificates or other deliverables from the Borrower or the Lessee to the Lender hereunder shall be provided to the Loan Administrator in lieu of the Lender.

The Lender, the Borrower, the Lessee or the Loan Administrator may, by notice hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

**Section 12.02. Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon the Lender, the Lessee and the Borrower, and their respective successors and assigns, subject, however, to the limitations contained in Sections 8.02, 12.10 and 12.11 hereof.

**Section 12.03. Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 12.04. Third-Party Beneficiaries.** Each of the Lender Indemnified Parties, (other than the Lender) are intended "Third Party Beneficiaries" of this Agreement. Nothing in this Agreement shall confer any right upon any person other than parties hereto, and those specifically designated as Third-Party Beneficiaries of this Agreement.

**Section 12.05. Amounts Remaining upon Termination.** It is agreed by the parties hereto that any amounts remaining upon termination of this Agreement, provided all amounts due hereunder have been paid in full, shall belong to and be paid to the Borrower.

**Section 12.06. Amendments, Changes and Modifications.** This Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the

Lender and acknowledgement by the Borrower and the Lessee. None of the Borrower Documents or the Lessee Documents may be amended without the prior written consent of the Lender.

**Section 12.07. Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 12.08. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State, without reference to choice of law principles, except as such laws may be preempted by any federal rules, regulations and laws applicable to the Lender. The parties hereto expressly acknowledge and agree that any judicial action to interpret or enforce the terms of this Agreement against the Lender shall be brought and maintained in the Circuit Court of the State of Florida in and for the County of Leon, the United States District Court in and for the District of Florida or any United States Bankruptcy Court in any case involving or having jurisdiction over the Borrower or the Facilities.

**Section 12.09. Filing.** The Borrower shall cause the security interest in the Facilities granted by the Mortgage to be recorded with the applicable county recorder. In addition, the Borrower shall cause the security interest in the rights to receive the Pledged Revenues (subject to the Senior Loan Documents), and any funds and trust accounts created under the Borrower Documents and granted to the Lender, and the security interest in the Mortgage granted to the Lender to be perfected by the filing of financing statements which shall fully comply with the Florida Uniform Commercial Code in the office of the Secretary of State of Florida or the offices of the clerk and recorder of the applicable county and in such other office as is at the time provided by law as the proper place for the filing thereof. The parties further agree that all necessary continuation statements shall be filed by the Borrower within the time prescribed by the Florida Uniform Commercial Code in order to continue such security interests.

**Section 12.10. No Pecuniary Liability of Lender.** No provision, covenant, or agreement contained in this Agreement, or any obligations herein imposed upon the Lender, or the breach thereof, shall constitute an indebtedness or liability of the Lender within the meaning of any Florida constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Lender or any member, officer or agent of the Lender or a charge against the Lender's general credit. In making the agreements, provisions and covenants set forth in this Agreement, the Lender has not obligated itself except with respect to the application of the revenues, as hereinabove provided.

**Section 12.11. No Personal Liability of Officials of the Borrower, Lender or Lessee.** None of the covenants, stipulations, promises, agreements and obligations of the Lender, the Lessee or the Borrower contained herein shall be deemed to be covenants, stipulations, promises, agreements or obligations of any official, officer, agent or employee of the Lender, the Lessee or the Borrower in his or her individual capacity, and no recourse shall be had for the payment of the principal or interest on the Loan or for any claim based thereon or any claim hereunder against any official, officer, agent or employee of the Lender, the Lessee or the Borrower.

**Section 12.12. No Warranty by Lender.** THE BORROWER RECOGNIZES THAT, BECAUSE THE COMPONENTS OF THE FACILITIES HAVE BEEN AND ARE TO BE

SELECTED BY IT, THE LENDER HAS NOT MADE AND SHALL NOT MAKE AN INSPECTION OF THE FACILITIES, IF AND WHEN ACQUIRED, OR OF ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, AND THE LENDER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR OTHERWISE, WITH RESPECT TO THE SAME OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY THEREOF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY THE BORROWER. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN THE FACILITIES OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, WHETHER PATENT OR LATENT, THE LENDER SHALL HAVE NO RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO. THE PROVISIONS OF THIS SECTION HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE LENDER, EXPRESS OR IMPLIED, WITH RESPECT TO THE FACILITIES OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT.

**Section 12.13. Prior Agreements Superseded.** This Agreement, shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the Lender and the Borrower relating to the Loan, the lending of money and the Facilities.

**Section 12.14. Covenant by the Borrower and the Lessee with Respect to Statements, Representations and Warranties.**

(a) It is understood by the Borrower that all such statements, representations and warranties made in this Agreement shall be deemed to have been relied upon by the Lender as an inducement to fund the Loan, and that if any such statements, representations and warranties were false at the time they were made or (with respect to those representations and warranties which are to continue) are breached during the term hereof, such misrepresentation or breach shall constitute a breach of this Agreement which may give rise to an Event of Default hereunder.

(b) It is understood by the Lessee that all such statements, representations and warranties made in this Agreement or the Tampa 3 Lease shall be deemed to have been relied upon by the Lender as an inducement to fund the Loan, and that if any such statements, representations and warranties were false at the time they were made or (with respect to those representations and warranties which are to continue) are breached during the term hereof, such misrepresentation or breach shall constitute a breach of this Agreement which may give rise to an Event of Default hereunder.

**Section 12.15. Captions.** The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

**Section 12.16. Payments Due on Holidays.** If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Agreement, is not a Business Day such payments may be made or act performed or right exercised on the next succeeding Business Day unless otherwise provided herein, with the same force and effect as if done on the nominal date provided in this Agreement.

**Section 12.17. Provision of General Application.** Any consent or approval of the Lender required pursuant to this Agreement shall be in writing and shall not be unreasonably withheld.

**Section 12.18. Survival.** Notwithstanding the payment in full of the Loan the termination or expiration of the Note and this Agreement, all provisions in this Agreement concerning (a) the interpretation of this Agreement, (b) the governing law, (c) the forum for resolving disputes, (d) the Lender's right to rely on facts or certificates, (e) the indemnity of the Lender Indemnified Parties, and (f) the Lender's lack of pecuniary liability shall survive and remain in full force and effect.

**Section 12.19. Notice of Change in Fact.** The Borrower will notify the Lender promptly after the Borrower becomes aware of (i) any change in any material fact or circumstance represented or warranted by the Borrower or the Lessee in this Agreement, any other Borrower Document, any Lessee Document or any Senior Loan Document or in connection with the funding of the Loan which would make any such representation or warranty false when made, (ii) any default or event which, with notice or lapse of time or both, could become an Event of Default under this Agreement, any Borrower Document, any Lessee Document or any Senior Loan Document, specifying in each case the nature thereof and what action the Borrower or the Lessee, as applicable, has taken, is taking, and/or proposes to take with respect thereto, (iii) any Internal Revenue Service audit of the Borrower or the Lessee, (iv) any material litigation affecting the Borrower, the Lessee, the Project or the Facilities and (v) any default in any indebtedness of the Borrower or the Lessee

**Section 12.20. Electronic Signatures.** The parties agree that the electronic signature of a party to this Loan Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Loan Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the Lender and the Borrower have caused this Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

**Florida Department of Education,**  
as Lender

By: Building Hope Finance, Loan Administrator  
and authorized signatory on behalf of the Florida  
Department of Education

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**IPS Enterprises, Inc.,**  
a Texas nonprofit corporation, as Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ACCEPTED AND ACKNOWLEDGED BY:**  
**IDEA Florida, Inc.,**  
a Florida nonprofit corporation, as Lessee

By: \_\_\_\_\_



*(Loan Agreement – School of Hope Loan-IPS- Tampa 3)*

## EXHIBIT A

### FORM OF NOTE

#### THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED

Registered No.	UNITED STATES OF AMERICA STATE OF FLORIDA	Registered \$8,673,535
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Interest Rate: \_\_\_\_%

Maturity Date: [ ], 2029

Issue Date: [ ], 2022

Registered Holder: Florida Department of Education

Principal Amount\*: EIGHT MILLION SIX HUNDRED SEVENTY-THREE  
THOUSAND FIVE HUNDRED AND THIRTY-FIVE NO/100  
DOLLARS

IPS Enterprises, Inc., a Texas non-profit corporation (the “**Borrower**”), for value received, hereby promises to pay to the Holder named above, or registered assigns, the Principal Amount set forth above or so much thereof as may be advanced by Florida Department of Education (the “**Lender**”) for the benefit or account of Borrower pursuant to that certain Loan Agreement dated [DATE], 2022 between the Lender and the Borrower (the “**Loan Agreement**”). The Borrower promises to pay interest on the outstanding and unpaid principal amount hereof from the date of each advance on each Interest Payment Date or Principal Payment Date, as applicable, at the rate set out below. \*The Principal Amount of this Note is subject to permanent reduction to an amount equal to \$7,715,788 if certain conditions set forth in the Loan Agreement are not satisfied.

1. Authorization of Note. This Note represents the duly authorized Note of the Borrower, in the principal amount stated above, designated as “Note (IPS Enterprises, Inc.) Florida Department of Education Series 2022” (the “**Note**”) issued under and pursuant to the Loan Agreement. This Note is issued for the purpose of securing all obligations of the Borrower under the Loan Agreement and shall be governed by and construed in accordance with the Loan Agreement. Capitalized terms used herein and undefined shall have the meanings set forth in the Loan Agreement.

Reference is hereby made to the Loan Agreement for the provisions, among others, with respect to the nature and extent of the security for and the rights of the registered Holders of this Note, the terms and conditions on which, and purposes for which, this Note is issued and the rights, duties and obligations of the Borrower under the Loan Agreement, to all of which the Holder hereof, by acceptance of this Note assents. The Loan Agreement may be modified, amended or supplemented only to the extent and under the circumstances permitted by, and subject to the terms and conditions of, the Loan Agreement.

2. Payment. The outstanding and unpaid principal amount of the Note from day to day outstanding which is not past due shall bear interest at a rate per annum equal to [ ]% payable on each Interest Payment Date. Principal payments shall be determined on the basis of an amortization of the then outstanding principal balance of the Note over a period of 360 months, paid on each Principal Payment Date, until the Maturity Date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable; interest being calculated on the unpaid principal each day principal is outstanding and all payments made credited to any collection costs and late charges, to the discharge of the interest accrued and to the reduction of the principal, in such order as Lender shall determine.

All interest on the Note shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day) on each Interest Payment Date. Upon the occurrence and during continuation of an Event of Default under the Loan Agreement, the Note shall bear interest at the Default Rate. Lender shall deliver to Borrower at least five Business Days before each date for payment of interest on the Note an invoice for such payment.

If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in the Loan Agreement, is not a Business Day such payments may be made or act performed or right exercised on the next succeeding Business Day unless otherwise provided herein, with the same force and effect as if done on the nominal date provided in the Loan Agreement.

3. Prepayment. This Note is subject to prepayment in whole or in part on any Interest Payment Date. Borrower shall notify Lender by telephone (confirmed by telecopy) of any prepayment hereunder, not later than 11:00 a.m., Central Standard Time, thirty (30) days before the date of prepayment. Each such notice shall specify the prepayment date and the principal amount of such prepayment or portion thereof to be prepaid. Prepayments shall be accompanied by accrued interest to the prepayment date. This Note is also subject to prepayment as described in Section 11.02 of the Loan Agreement.

4. Method of Payment. All payments of principal and interest hereunder shall be paid by automatic debit, wire transfer, check or in coin or currency which, at the time or times of payment, is the legal tender for public and private debts in the United States of America and shall be made at such place as the Holder of the Note may from time to time appoint in the payment invoice or otherwise in writing.

5. Transfer of Note. This Note is transferable by the registered Holder hereof in the manner, subject to the limitations and upon payment of the charges provided in the Loan Agreement, and upon surrender and cancellation of this Note. Upon such transfer a new registered Note or Notes without coupons of the same series and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

6. Remedies. Upon the occurrence of any one or more of the events of default specified in the Loan Agreement, (a) the entire unpaid balance of principal of the Note, together with all accrued but unpaid interest thereon, and all other indebtedness owing to Lender by

Borrower at such time shall, at the option of Lender, become immediately due and payable without further notice, demand, presentation, notice of dishonor, notice of intent to accelerate, notice of acceleration, protest or notice of protest of any kind, all of which are expressly waived by the Borrower, and (b) Lender may, at its option, cease further advances under any of the Note. All rights and remedies of Lender set forth in the Loan Agreement and in any of the other Loan Documents may also be exercised by Lender, at its option to be exercised in its sole discretion, upon the occurrence of an event of default thereunder.

7. Usury. In no event shall the amount of interest (as defined and calculated in accordance with applicable law) contracted for, charged, reserved, received or taken in connection with the loan exceed the limit of usury or other applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, reserved, received or taken in connection with the loan, or if the exercise of the option contained in the Loan Agreement or otherwise to accelerate the maturity of the loan or if any prepayment of the loan by the Borrower results in there having been paid or received any interest in excess of that permitted by applicable law, then notwithstanding anything to the contrary contained in the Loan Documents, all excess amounts theretofore paid or received shall be credited on the principal balance of the loan (or, if the loan has been or would thereby be paid in full, refunded), and the provisions of the Loan Agreement shall immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for thereunder.

8. No Recourse. No recourse shall be had for the payment of the principal of or premium or interest on this Note or for any claim based thereon or upon any obligation, covenant or agreement in the Loan Agreement contained, against any past, present or future officer, trustee, director, member, employee or agent of the Borrower, or any incorporator, officer, director, member, employee or agent of any successor corporation, as such, either directly or through any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such incorporators, officers, directors, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Loan Agreement and the issuance of this Note.

9. Waiver of Presentment or Notice. The Borrower hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all defenses on the grounds of extension of time of payment for the payment hereof which may be given (other than in writing) by the Lender to the Borrower.

IT IS CERTIFIED that all conditions, acts and things required to exist, happen and be performed under the Loan Agreement precedent to and in the issuance of this Note, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Note have been duly authorized by resolutions of the Borrower.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed as of the Issue Date written above.

IPS ENTERPRISES, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT B**  
**FORM OF MORTGAGE**

## **EXHIBIT C**

### **CONDITIONS PRECEDENT TO CLOSING DATE**

1. Executed copies in the form acceptable to the State of each of the Borrower Documents and Lessee Documents.
2. Evidence acceptable to the State that IDEA is a School of Hope Operator.
3. An opinion of counsel to each of the Borrower, Lessee and IDEA in form and substance acceptable to the State.
4. The incorporation or organization articles of each of the Borrower, the Lessee and IDEA, as applicable, certified by the applicable state in which such entity is organized or incorporated, a good standing certificate as to each entity in the applicable state and a certified copy of the resolutions authorizing the execution and delivery of the documents each party will execute or has executed in connection with the Loan.
5. A certificate of an authorized official of the Borrower in a form acceptable to the State, dated the Closing Date, to the effect that:
  - a. the representations and warranties made by the Borrower in the Borrower Documents are true and correct in all material respects as of the Closing Date;
  - b. the Borrower is not in default in the performance of any of the covenants, agreements or provisions contained in the Borrower Documents and applicable to the Borrower;
  - c. each of the documents executed by the Borrower is legal, binding and valid, reaffirming representations and certifications contained in the Borrower Documents and such other matters as may reasonably be requested by the State; and
  - d. any resolutions necessary in connection with the transactions contemplated by the Borrower Documents have not been amended, modified or rescinded and are effective as the Closing Date.
6. A certificate of an authorized official of the Lessee in a form acceptable to the State, dated the Closing Date, to the effect that:
  - a. the representations and warranties made by the Lessee in the Lessee Documents are true and correct in all material respects as of the Closing Date;
  - b. the Lessee is not in default in the performance of any of the covenants, agreements or provisions contained in the Lessee Documents and applicable to the Borrower;
  - c. each of the documents executed by the Lessee is legal, binding and valid, reaffirming representations and certifications contained in the Lessee Documents and such other matters as may reasonably be requested by the State; and

- d. once the charter school operated by the Lessee in connection with the Loan reaches maximum enrollment, the occupancy expense of the Lessee is not expected to exceed 15% of the revenues of the Lessee;
  - e. any resolutions necessary in connection with the transactions contemplated by the Lessee Documents have not been amended, modified or rescinded and are effective as the Closing Date.
- 7. A certificate of an authorized official of the IDEA in a form acceptable to the State, dated the Closing Date, to the effect that:
  - a. the representations and warranties made by the IDEA in connection with the Loan are true and correct in all material respects as of the Closing Date;
  - b. IDEA is not in default in the performance of any of the covenants, agreements or provisions contained in any documents related to the Loan and applicable to IDEA;
  - c. any resolutions necessary in connection with the Loan have not been amended, modified or rescinded and are effective as the Closing Date
- 8. Evidence of the required insurance pursuant to the Lessee Documents and Borrower Documents.
- 9. A copy of an ALTA lender's policy of title insurance with respect to the Facilities, dated the Closing Date, in an aggregate amount not less than the principal amount of the Loan.
- 10. Evidence of the filing of any UCC Financing Statement necessary to perfect security interests granted by the Borrower or the Lessee under the Borrower Documents or the Lessee Documents.
- 11. Such additional legal opinions, certificates, proceedings, instruments and other documents as the State or the Loan Administrator may reasonably request to evidence compliance by the Borrower, the Lessee and IDEA with legal requirements, the truth and accuracy, as of the Closing Date, of the representations (A) of the Borrower contained in the Borrower Documents, (B) of the Lessee contained in the Lessee Documents, and (D) of IDEA contained in any document related to the Loan of which IDEA is a party, and the due performance or satisfaction by the Borrower, the Lessee and IDEA at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Borrower, the Lessee and IDEA.



**DRAFT VERSION**

# **LEASE AGREEMENT**

**BY AND BETWEEN**

**IPS ENTERPRISES, INC.**

**(“LANDLORD”)**

**AND**

**IDEA FLORIDA, INC.**

**(“TENANT”)**

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## **LEASE AGREEMENT**

THIS LEASE (the “Lease”) is made as of [March 29, 2022] (the “Effective Date”) between **IPS ENTERPRISES, INC.**, a Texas nonprofit corporation, and its successors and assigns, more fully identified in Section 1.1 as Landlord (the “Landlord”), and **IDEA FLORIDA, INC.**, a Florida non-profit corporation, more fully identified in Section 1.2, as Tenant (the “Tenant”).

### RECITALS

Landlord has requested that CLI Capital, a Texas real estate investment trust (the “Senior Lender”) and the Florida Department of Education (the “Subordinate Lender” and, together with the Senior Lender, collectively, the “Lenders”) each issue a loan (the “Loans”) to finance the acquisition, construction, and equipping of educational facilities located in Hillsborough County, Florida, as more particularly described in **Exhibit A** hereto (the “Real Property” or “Premises”)

Tenant has determined its need for the Premises and desires to enter into this Lease in order to facilitate the financing of the acquisition, construction and equipping of the Premises by the Landlord, and to obtain the right to use and occupy the Premises;

In consideration of the undertakings of the parties contained herein, upon completion of the Improvements as required herein, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises further described in Sections 1.3 and 2, on the following terms and conditions:

**1. Basic Lease Provisions:** The Recitals above are incorporated herein as if set forth at length. This Section contains or refers to certain basic provisions of this Lease (the “Basic Lease Provisions”). Other Sections of this Lease explain, define and are to be read in conjunction with the Basic Lease Provisions.

- |     |                  |   |
|-----|------------------|---|
| 1.1 | <u>Landlord:</u> | <b>IPS Enterprises, Inc.</b><br>2115 W. Pike<br>Weslaco, Texas 78596<br>Houston, Texas 77099<br>Attention: Chief Executive Officer<br>Telephone: (713) 900-7173 |
| 1.2 | <u>Tenant:</u>   | <b>IDEA Florida, Inc.</b><br>4651 Salisbury Road, Suite 418<br>Jacksonville, Florida 32256<br>Attention: Chief Financial Officer<br>Telephone: 850-766-9770     |

1.3 Premises: (See Section 2):

- (a) Use: The Premises may be used and occupied by Tenant as a charter school and related administrative uses (the “School” or the “IDEA”

Hart Pond Campus”), in compliance with all laws and restrictive covenants applicable to the Premises.

1.4 Term:

- (a) Primary Term (See Section 3.1): five (5) years, from and after the Tenant Possession Date set forth in Section 1.7 below (plus any partial month in which the Tenant Possession Date occurs).
- (b) Tenant Options to Extend (See Section 3.2 and **Exhibit “E”**):
  - (i) Extension Terms: two (2) consecutive five (5) year renewal options beyond the expiration of the Primary Term.
  - (ii) Tenant Exercise Date(s): At least six (6) months but no more than fifteen (15) months prior to the expiration of the Primary Term or an Extension Term (each as defined herein), as applicable, as more particularly set forth in **Exhibit “E”**.
- (c) Purchase Option (See Section 2.4). Any time during the Lease Term upon written notice to the Landlord at a price equal to an amount that will be sufficient on the Purchase Option Closing Date to pay the then-outstanding principal of the promissory notes executed in connection with the Loan and the Subordinate Loan (the “Purchase Price”).

1.5 Base Rent:

- (a) Primary Term (See Section 3): During the Lease Term, Tenant covenants and agrees to pay to Landlord base rent in equal monthly installments according to Schedule I attached hereto, as may be updated from time to time as draws are made from or pre-payments are made on the Senior Loan (“Base Rent”).
- (b) Option(s) to Extend Rent (See Section 3.2): Base Rent during each Extension Term shall be as set forth in **Exhibit “E”**.

1.6 Rent Commencement Date: (See Section 4): The first day of the first (1st) month of the Primary Term.

1.7 Tenant Possession Date: (See Section 6): The date of Landlord’s Substantial Completion of the Landlord Improvements Work to be constructed in accordance with Section 7 of this Lease, which shall in no event occur later than [July 15, 2023], subject to Force Majeure Delay.

1.8 Tenant’s Insurance: (See Section 12):

- (a) Type of Coverage and Amount:
  - (i) CGL (combined Bodily Injury and Property Damage): \$1,000,000
  - (ii) Umbrella Excess Liability: \$2,000,000
  - (iii) Workers' Compensation: Statutory Limits
  - (iv) Property - Full Replacement Cost Property Insurance with respect to the Improvements
- (b) Insuring Party: Tenant

2. **Premises:** During the Lease Term (as defined in Section 2.3), Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, for the Lease Term, at the rental, and upon all of the terms, covenants, and conditions set forth in this Lease. Specifically, Tenant shall have the exclusive use of the Improvements.

2.1 **Primary Term:** The primary Lease Term shall be for the period specified in Section 1.4 (the "Primary Term") unless this Lease shall be earlier terminated as hereinafter provided.

2.2 **Extension Terms:** Tenant shall have the right and option to extend the Primary Term for extension terms as set forth in Section 1.4 (the "Extension Terms"), upon the same terms and conditions of this Lease, except as otherwise provided in **Exhibit "E"**. Tenant shall deliver to Landlord notice of its election so to extend the Primary Term on or before the respective Exercise Dates set forth in Section 1.4.

2.3 **Lease Term:** The Primary Term and all Extension Terms elected by Tenant shall be referred to collectively hereinafter as the "Lease Term."

2.4 **Option to Purchase:** Provided Tenant is not deemed to be in default beyond any applicable cure period under this Lease by Landlord, Tenant will have the right to purchase the Landlord's interest in the Premises ("Purchase Option") at any time during the Lease Term by notifying Landlord in writing of its intention to exercise the Purchase Option ("Purchase Option Notice"). The purchase option price for the Property shall be equal to the Purchase Price. Closing of the purchase ("Purchase Option Closing") must take place no later than ninety (90) days after the date that the Purchase Option Notice is received by Landlord (such date upon which the Purchase Option occurs shall herein be referred to as the "Purchase Option Closing Date"). The Parties shall include a reference to the Purchase Option in the memorandum of lease filed pursuant to Section 31 of this Lease.

3. **Rent:** During the Primary Term, Tenant shall pay base rent, without any demand, setoff or deduction (except as otherwise expressly provided herein) to Landlord at the address set forth in Section 1.1, or at such other address as Landlord may designate in writing at any time or from time to time, in monthly installments as set forth in Section 1.5 (the "Base Rent"). Such monthly installments of Base Rent shall be payable in advance on or before the Rent Commencement Date as set forth in Section 1.6 and on or before the first day of each calendar month thereafter. Base Rent for partial months at the inception or the termination of the Lease shall be prorated. Base Rent, and all other sums payable by Tenant to Landlord pursuant to this Lease shall sometimes be collectively referred to herein as "Rent."

3.1 Extension Term(s) Base Rent: The Base Rent to be paid during the Extension Term(s), if elected, shall be calculated as set forth in **Exhibit "E"**.

4. **Real Estate Taxes and Assessments**: During the Lease Term, Tenant shall pay directly to the appropriate taxing authority, all real estate taxes and assessments, general and special, against the Premises (excepting therefrom certain taxes referenced below) ("**Taxes and Assessments**"). Landlord shall cooperate with Tenant to request that the bills for the Taxes and Assessments to be sent directly from the taxing authority to Tenant. In the event that Landlord receives the bills for the Taxes and Assessments from the taxing authority, Landlord shall promptly forward the bills to Tenant. Tenant shall pay the Taxes and Assessments (and, upon Landlord's written request, provide Landlord evidence of such payments in reasonable detail) prior to their delinquency; provided, however, Tenant shall not be responsible for any penalties or interest charges caused by Landlord's delay in forwarding any bills to Tenant.

Taxes and Assessments shall not include any other franchise, income, estate, inheritance or related taxes assessed against the Premises or otherwise imposed upon Landlord. Landlord shall be solely responsible for such taxes.

Notwithstanding the foregoing, Tenant shall only be responsible for the payment of any assessments that are part of the Taxes and Assessments hereunder, general or specific, so long as such assessments are calculated over the longest period permitted by law, in which case Tenant shall be responsible for paying those payments falling due within the Lease Term.

The Premises are used to house charter schools whose charter has been approved by the appropriate sponsoring entity, and whose properties should therefore be exempt from property taxes pursuant to Florida Statutes Section 196.1983. Landlord shall use all means permitted by law to maintain or obtain in a timely manner a real property tax exemption for the Premises, the entire benefit of which shall accrue to Tenant. Tenant shall cooperate and shall provide such signatures or information as may be required by the appropriate jurisdictional authority in connection with any such application for tax-exemption.

4.1 Right to Contest: During the Lease Term, Tenant may initiate proceedings to contest the Taxes and Assessments. If required by law, Landlord shall join in any such proceedings initiated by Tenant, provided that Tenant shall pay all costs and expenses, charges, interest and penalties in connection therewith, including reasonable costs and expenses incurred by Landlord. Tenant shall continue to pay all Taxes and Assessments during the pendency of any such proceedings. Upon conclusion of such proceedings, Tenant shall be entitled to credit against Rent next coming due under this Lease the amount of any Taxes and Assessments refunded to Landlord as a result of any such proceedings.

5. **Utilities**: During the Lease Term, and following the issuance of a final certificate of occupancy, Tenant shall place the utility bills in its name and pay for all utility services consumed by Tenant upon the Premises, including without limitation, gas and electricity, sanitary and storm sewer, water and telephone services. Landlord represents that all utilities shall be separately metered as of the Rent Commencement Date at Landlord's expense (as part of the costs of the Landlord's Improvement Work). Landlord shall not be liable to Tenant therefor, nor shall Tenant have any right to terminate the Lease or other rights (including, any reduction or abatement of



Rent) against Landlord in the event of a failure, interruption or suspension of any of the aforesaid utility services unless such failure, interruption or suspension is a result of Landlord's failure to maintain or replace (as necessary) the electricity, plumbing, gas or water supply facilities servicing the Premises from the property line to the meter box (or otherwise to the extent such facilities are underground), in which case Tenant may seek remedies under Section 16 of this Lease.

**6. Landlord's Improvement Work; Substantial Completion:** Landlord shall perform Landlord's Improvement Work in accordance with this Lease. Landlord shall at its sole cost and expense confirm that all utility lines and service required for the use and occupancy of the Premises by Tenant are connected or shall cause such connections to be made and shall perform the work as more particularly set forth in Exhibit "B" and Exhibit "C" (all of the work referred to in this Section 7 being collectively referred to as "Landlord Improvement Work").

6.1 Substantial Completion: The date of Landlord Substantial Completion of the Landlord Improvement Work to be constructed by Landlord pursuant to the approved plans and specifications attached hereto as Exhibit "C", is estimated to be on or prior to [July 15, 2023], subject to Force Majeure Delay (as hereinafter defined) and/or Tenant Delay.

The Landlord Improvement Work shall be deemed to be "Substantially Complete" at such time as when all of the following conditions have been satisfied:

(i) Landlord shall certify in writing to Tenant that the Landlord Improvement Work has been fully completed in all material respects in accordance with the final plans for Landlord Improvement Work, subject to certain minor punch list items which shall be therein specifically noted and which shall be such as not to adversely affect Tenant's use and occupancy of the Premises for the Permitted Use,

(ii) Landlord's architect shall certify in writing to Tenant as to those same matters set forth in subsection (i) above, and

(iii) a permanent certificate of occupancy or similar certificate or permit is issued by the appropriate governmental authority having jurisdiction over the Premises whereby Tenant is permitted the use and occupancy of the Premises for the Permitted Use.

At such time as the last of the foregoing requirements shall have been satisfied, Landlord shall deliver possession of the Premises to Tenant.

The minor punch list items referred to in subsection (iii) above shall not act to suspend or delay the commencement of the Lease Term, but Landlord shall, as soon as reasonably possible following the Tenant Possession Date (as defined in Section 1.7), complete said minor punch list items, together with such other construction matters as Tenant shall thereafter discover and which Tenant shall report to Landlord in writing within sixty (60) days following said Tenant Possession Date.

If Landlord is delayed at any time in the progress of the Landlord Improvement Work by any Tenant Delay (as defined in Exhibit "C"), or by labor disputes, unusual delay in deliveries, fire or other casualties, severe weather events, or by other similar causes beyond Landlord's reasonable control which Landlord reasonably determines may justify delay (collectively, "Force

Majeure Delays”), then the time for the completion of the Landlord Improvement Work and delivery of the Premises shall be extended and postponed for such reasonable additional time as is appropriate and equitable under the circumstances, and each of the dates herein shall be adjusted appropriately (which adjustments shall be confirmed in writing by the parties).

6.2 Delivery of Possession; Condition: Landlord shall deliver possession of the Premises to Tenant on the Tenant Possession Date. Prior to such delivery, the Premises shall be in broom-swept, tenantable condition with all Mechanical and Utility Systems (as defined in Section 9) in fully operable and new condition. Prior to Tenant’s taking possession of the Premises, Landlord or its designee and Tenant will walk the Premises for the purpose of reviewing the condition of the Premises and the condition of completion and workmanship of any improvements which Landlord is required to construct under Exhibit “C” of this Lease. After such review and the reasonable satisfaction of Tenant regarding Landlord’s arrangements to repair or replace any improvement that does not meet the requirements under this Lease, Tenant shall execute and deliver to Landlord the Premises Acceptance Letter (“Premises Acceptance Letter”) substantially in the form of Exhibit “F” hereto attached, accepting the Premises.

6.3 Tenant’s Right of Entry: Tenant, at its sole cost and expense, shall have the right, ten (10) days prior to the Tenant Possession Date, to enter upon the Premises to install the Tenant Improvement Work (as hereinafter defined), trade fixtures and personal property such as, without limitation, the equipment more particularly described in Section 8, subject to all terms and conditions of this Lease, but except as otherwise provided in this Lease, Tenant shall not be obligated to pay any Rent or other amount to Landlord prior to the Rent Commencement Date. Tenant is permitted to store its personal property inside the improvements or outside on the Real Property so long as such storage is not prohibited by applicable legal requirements or restrictive covenants. Tenant shall insure its personal property and shall be entitled to take precautionary measures to secure its personal property, and Landlord shall have no liability to Tenant with respect thereto. Tenant shall ensure that such entries pursuant to this Section 6.3 shall not materially interfere with or delay Landlord’s completion of the Landlord’s Improvement Work.

7. Tenant Improvements; Signs: Tenant, at its sole cost and expense, shall have the right but shall not be obligated prior to and during the Lease Term to improve, alter and renovate the interior of the Premises in any manner which Tenant deems necessary or desirable to make the same fit and suitable for the conduct of its business operations, including without limitation painting, decorating, redecorating and installing partitions, floor coverings, wall coverings, drop ceilings, light fixtures and such other work as may be requested by Tenant and approved by Landlord, in its sole discretion as “Tenant Improvement Work” (the “Tenant Improvement Work”). All Tenant Improvement Work shall be approved by Landlord prior to commencement of such Tenant Improvement Work. Tenant may install, at its expense, signs containing Tenant’s name at the Premises, provided that such signs (a) do not cause any structural damage to the Premises; (b) do not violate applicable governmental laws, ordinances, rules or regulations; and (c) do not violate any existing restrictions of record affecting the Premises. Tenant shall, at Tenant’s sole cost and expense, remove all exterior signage from the Premises upon the expiration or termination of the Lease Term, repair all damage resulting from such removal and restore the affected areas to the condition existing prior to the installation of such signage. Tenant shall perform all work described in this Section according to the standards set forth in Section 14.1(b). Unless otherwise agreed in writing by the parties and subject to Section 10 below, any improvements, alterations and

renovations to the Premises by Tenant pursuant to this Section 7 shall remain on the Premises upon the expiration or earlier termination of this Lease.

**8. Trade Fixtures; Personal Property:** Tenant, at its sole cost and expense, shall have the right, without Landlord's consent, but shall not be obligated during the Lease Term, to install, use, replace, substitute and remove its trade fixtures and personal property such as, without limitation, telephone, teletype and other equipment used in the operation of Tenant's business, and furniture. Upon the expiration of the Lease Term or the earlier termination of this Lease, Tenant shall, at Tenant's sole cost and expense, remove its trade fixtures and personal property from the Premises, and repair all damage to the Premises resulting from such removal.

**9. Maintenance and Repairs by Tenant:** Except as otherwise expressly required of Landlord elsewhere in this Lease, Tenant, at its sole cost and expense, during the Lease Term, following the expiration of any construction warranties, shall keep the interior of the Improvements in a clean and orderly condition and shall perform: (i) any maintenance and repairs to the Premises occasioned by the negligence or misconduct of Tenant or its invitees and licensees (subject to Section 14.3), and (ii) maintenance of the lawn, yard area, and landscaping, maintenance and repairs to the site drainage system (including pump(s) related to detention, if any) and normal and customary repairs to the paving and parking areas of the Premises, and all required maintenance to windows, pedestrian and overhead doors and all maintenance, repairs and replacements of the above-ground mechanical and utility systems situated on or serving the Premises, including, without limitation heating, ventilating, air conditioning, lighting, life-safety and (excepting replacements of the electricity, plumbing, gas and water supply facilities servicing the Premises from the property line to the meter box(es) or as may be located underground), and all other above-ground electrical, plumbing, gas, and water supply and communication lines, (iii) normal and customary maintenance and repairs to sprinkler systems, sanitary sewers and septic systems, storm sewers and storm water drainage systems (sometimes collectively referred to herein as the "Mechanical and Utility Systems"), (iv) normal and customary maintenance and repairs to roof gutters, roof drains, and downspouts, (v) all other maintenance and repairs not the express responsibility of Landlord hereunder, which Tenant reasonably deems necessary in order to comply with its requirements herein, and (vi) the replacement (as necessary) of the structural elements of the Improvements, including but not limited to, the roof and roof membrane, foundations, floor slabs, load-bearing walls and columns, and exterior walls, replacements (as necessary) of the plumbing, gas, electrical and water facilities servicing the Premises from the property line(s) to the meter box(es) located on the Premises in addition to any other portions of the foregoing facilities that are located underground throughout the Premises, and replacements (as necessary) of the site drainage system (including pump(s) relating to detention, if any), underground utilities, sprinklers, paving and parking surfaces. If Tenant fails to perform its maintenance and repair obligations within fifteen (15) days (unless such repair cannot be reasonably achieved by Tenant within such 15-day period, then only if Tenant has not commenced to cure the obligation within such 15-day period or thereafter fails to diligently pursue such cure to completion) then after Landlord's delivery to Tenant of notice of the need for any such maintenance and repairs, then Landlord shall have the right, upon delivery of three (3) business days' notice to Tenant, to perform all or part of such maintenance and repairs, at the sole cost and expense of Tenant, and Tenant shall reimburse Landlord for such costs and expenses within thirty (30) days after Landlord's delivery to Tenant of an invoice therefor. Notwithstanding the foregoing, Tenant shall not be obligated to perform any maintenance or repairs to the extent covered by any warranty of Landlord or

Landlord's contractors or otherwise the responsibility of Landlord hereunder. The terms of such warranties shall be provided to Tenant immediately following the issuance of a final certificate of occupancy. Landlord will exercise all diligence in addressing warranty issues identified by Tenant with Landlord's contractors during the warranty period(s).

9.1 Property and Casualty Insurance or Coverage: Tenant shall maintain throughout the Lease Term all-risk (or its equivalent) property insurance or coverage on the Premises in an amount not less than the greater of the replacement value of the Premises or the amount of the Purchase Price then applicable, subject only to such exceptions and exclusions as are customarily contained in such policies. Tenant shall ensure that at all times the limits of coverage sufficient to pay for the full replacement cost of the Premises (or the amount of the Purchase Price then applicable) at the time of the loss, without deduction for depreciation. All policies shall be issued to the Tenant as the first named insured or term denoting a similar meaning but shall name the Landlord and Lender as loss payee as their interest may appear under a standard Mortgagee's endorsement. If Tenant shall act as its own contractor for alterations and improvements that cost more than \$100,000, it shall obtain Builder's Risk Insurance for the full completed value of the improvements, in which case Tenant shall pay the premiums for such insurance.

9.2 Liability Insurance: During the Lease Term, Tenant shall maintain a commercial general liability policy of insurance, at Tenant's expense, insuring the Landlord and the Lender against liability arising out of the ownership, use, occupancy or maintenance of the Premises. The initial amounts of the insurance must be at least \$1,000,000 for each occurrence, \$2,000,000 general aggregate per policy year, \$100,000 property damage, and \$10,000 medical expense; plus a \$2,000,000 commercial general liability umbrella; and will be subject to periodic increases based upon economic factors as Landlord may determine, in Landlord's discretion, exercised in good faith. The amounts of the insurance will not limit Tenant's liability or relieve Tenant of any obligation under this Lease. The policies must contain cross-liability endorsements, if applicable. The policies must contain a provision that prohibits cancellation or modification of the policy except upon thirty (30) days' prior written notice to Landlord and the Lender. Tenant may discharge Tenant's obligations under this Section by naming Landlord and the Lender as additional insureds under a commercial general liability insurance policy maintained by Tenant and containing the coverage and provisions described in this Section. Tenant shall deliver a copy of the policy or certificate (or a renewal) to Landlord upon the execution of this Lease and prior to the expiration of the policy during the Lease Term. If Tenant fails to maintain the policy, Landlord may elect to maintain the insurance at Tenant's expense. The Tenant may, at Tenant's expense, maintain other liability insurance as Tenant deems necessary.

9.3 Workers Compensation Insurance: Tenant shall maintain, payable throughout the Lease Term Worker's Compensation Insurance in statutorily required limits covering all of its employees in, on, or about the Premises. During the construction of the Premises and during any modification, restoration or renovation of the Premises, Tenant shall require any original contractor or subcontractor to obtain and maintain such coverage on its employees.

9.4 Auto Liability Insurance: Tenant shall maintain business auto liability insurance including all owned, non-owned and hired autos with a limit of liability of not less than

\$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

9.5 Business Interruption Insurance: Tenant shall maintain Business Interruption insurance in the amount of at least one year's Base Rent.

9.6 Proof of Insurance: All insurance required to be procured and maintained by Tenant will be procured and maintained in financially sound and generally recognized responsible insurance companies selected by Tenant required to procure the same and authorized to write insurance in the State of Florida. The company issuing the policies will be rated "A" or better by A.M. Best Co., in Bests' Key guide. All policies evidencing the insurance required to be procured and maintained by Borrower must contain a standard non-contributory mortgagee clause showing Lender's interest as first mortgagee, must provide for payment to Lender of the net proceeds of insurance resulting from any claim for loss or damage, and must provide (where commercially available at a reasonable cost) for at least 30 days prior written notice of the cancellation or modification of the payment to Lender.

9.7 Tenant's Personal Property: Tenant shall bear the risk of any and all damage to Tenant's personal property, including but not limited to, the contents, trade fixtures, machinery, equipment, furniture and furnishings it places in the Premises. Tenant agrees that Landlord shall have no liability with respect thereto. Landlord shall not be liable to Tenant for any damage or damages of any nature whatsoever to persons or their property caused by explosion, fire, theft or breakage, vandalism, falling plaster, by sprinkler, drainage or plumbing systems, or air conditioning equipment, by the interruption of any public utility or service, by steam, gas, electricity, water, rain or other substances leaking, issuing or flowing into any part of the Premises, by natural occurrence, acts of the public enemy, riot, strike, insurrection, war, court order, requisition or order of governmental body or authority, or by anything done or omitted to be done by any tenant, occupant or person in the Improvements, it being agreed that Tenant shall be responsible for obtaining appropriate insurance to protect its interests.

9.8 Mutual Waiver of Subrogation: Nothing in this Lease shall be construed so as to authorize or permit any insurer of Landlord or Tenant to be subrogated to any right of Landlord or Tenant against the other party arising under this Lease. Landlord and Tenant each hereby release the other for damage to Property to the extent of any perils required to be insured against under Section 9.1 of this Lease, whether or not such insurance has actually been secured, or otherwise insured against by a party, and to the extent of insurance coverage for any loss or damage caused by any fire, casualty, or other event EVEN IF SUCH INCIDENTS SHALL BE BROUGHT ABOUT BY THE FAULT OR NEGLIGENCE OF EITHER PARTY. All insurance policies to be provided under Section 9.1 by either Landlord or Tenant shall contain a provision that they are not invalidated by the foregoing waiver.

9.9 Tenant's Liability for Construction Liens: Nothing contained in this Lease shall be construed as a consent on the part of the Landlord to subject the estate of the Landlord to liability under the construction lien law of the State of Florida, it being expressly understood that the Landlord's estate shall not be subject to such liability. Tenant shall strictly comply with the Construction Lien law of the State of Florida as set forth in Florida Statutes, Chapter 713. In the event that a construction claim of lien is filed against the Premises in connection with any work

performed by or on behalf of the Tenant, at Tenant's request, the Tenant shall satisfy such claim, or shall transfer same to security, within ten (10) days from the date of filing. In the event that the Tenant fails to satisfy or transfer such claim within said ten (10) day period, the Landlord may do so and thereafter charge the Tenant, as additional rent, all costs incurred by the Landlord in connection with the satisfaction or transfer of such claim, including attorney's fees. Further, the Tenant agrees to indemnify, defend and save the Landlord harmless from and against any damage or loss incurred by the Landlord as a result of any such claim or lien. If so requested by the Landlord, the Tenant shall execute a short form or memorandum of this Lease, which may, in the Landlord's discretion be recorded in the Public Records for the purpose or protecting the Landlord's estate from construction claims of lien, as provided in Florida Statutes, Chapter 713.10. This Section shall survive the termination of this Lease.

9.10 Landlord's Liability for Construction Liens: Nothing contained in this Lease shall be construed as a consent on the part of the Tenant to subject the estate of the Tenant to liability under the construction lien law of the State of Florida, it being expressly understood that the Tenant's estate shall not be subject to such liability. Landlord shall strictly comply with the Construction Lien law of the State of Florida as set forth in Florida Statutes, Chapter 713. In the event that a construction claim of lien is filed against the Premises in connection with any work performed by or on behalf of the Landlord, at Landlord's request, the Landlord shall satisfy such claim, or shall transfer same to security, within ten (10) days from the date of filing. In the event that the Landlord fails to satisfy or transfer such claim within said ten (10) day period, the Tenant may do so and thereafter charge the Landlord, as a reduction in base rent, all costs incurred by the Tenant in connection with the satisfaction or transfer of such claim, including attorney's fees. Further, the Landlord agrees to indemnify, defend and save the Tenant harmless from and against any damage or loss incurred by the Tenant as a result of any such claim or lien. If so requested by the Tenant, the Landlord shall execute a short form or memorandum of this Lease, which may, in the Tenant's discretion be recorded in the Public Records for the purpose or protecting the Tenant's estate from construction claims of lien, as provided in Florida Statutes, Chapter 713.10. This Section shall survive the termination of this Lease.

**10. Damage or Destruction:** In the event that the Premises shall be damaged or destroyed by fire, explosion or other casualty, or by any risk required to be insured against pursuant to Section 9.1 or at law, Tenant promptly shall deliver to Landlord notice thereof. Unless terminated pursuant to Section 10.1, this Lease shall remain in full force and effect, and Tenant, at its sole cost and expense, but with the right to use insurance proceeds to the extent of Tenant's interest therein, shall exercise good faith and diligent efforts promptly to repair the damage or destruction and restore the Improvements and the Premises (exclusive of Tenant's personal property and trade fixtures) to substantially that condition existing immediately prior to such damage or destruction. Until the completion of Tenant's repair and restoration pursuant to this Section 10, Tenant's obligation to pay Rent and other amounts payable by Tenant hereunder shall be abated as of the date of the damage or destruction in proportion to the extent that the Premises is rendered "untenantable" (i.e., a material impairment of Tenant's ability to use and occupy the Premises or portion thereof for the normal conduct of its business operations therein as determined by Tenant in its reasonable discretion), as the parties shall agree in their good faith discretion.

10.1 Rights of Termination: Landlord's and Tenant's respective rights to terminate this Lease upon the occurrence of certain damage or destruction shall be governed as follows:

(a) If the Improvements shall be damaged or destroyed to the extent of more than sixty percent (60%) of the full replacement cost thereof, then either Landlord or Tenant may elect to terminate this Lease by delivery of notice to the other within sixty (60) days after the date Landlord or Tenant first learned of such damage or destruction; or

(b) If repair and restoration of any such damage or destruction cannot reasonably be completed within two hundred ten (210) days after the date of the damage or destruction then Tenant may elect to terminate this Lease by delivery of notice to the other within sixty (60) days after the date of such damage or destruction; and

(c) Upon delivery of any notice pursuant to Section 10.1(a) or 10.1(b), and the payment or assignment to Landlord of insurance proceeds to the extent of Landlord's interest therein, and Tenant's payment of the casualty insurance deductible, this Lease shall terminate as of the date of the damage or destruction unless otherwise provided in such notice, and Tenant shall have no further liabilities or obligations hereunder other than to pay Rent accrued hereunder as of the date of such termination.

**11. Eminent Domain:** In the event that all or any portion of the Premises shall be taken or threatened to be taken under the power of eminent domain or a conveyance in lieu thereof for any public or quasi-public use (a "Taking"), Landlord promptly shall deliver to Tenant notice thereof. Unless terminated pursuant to Section 11.1, this Lease shall remain in full force and effect, and Tenant, at its sole cost and expense, shall exercise good faith and diligent efforts promptly to repair the damage and restore the Premises so as to constitute the remaining portion thereof a complete architectural unit. Until the completion of Tenant's repair and restoration pursuant to this Section 14, Tenant's obligation to pay Rent and other amounts payable by Tenant hereunder shall be abated as of the effective date of the Taking in proportion to the extent that the Premises is rendered "untenantable" (as that term is used in Section 10.1), as the parties shall agree in their good faith discretion.

11.1 Rights of Termination: If there is a Taking of the whole of the Premises, this Lease shall terminate as of the date possession is required by the public or quasi-public body, and Rent shall be prorated to such date. Tenant shall have the right to terminate this Lease upon the occurrence of a Taking of twenty-five percent (25%) or more of the Premises if, and only if, the remaining area of the Premises shall no longer be sufficient for the use, occupancy and Tenant's continuing operations thereof by Tenant (in Tenant's reasonable discretion). Tenant shall provide Landlord with its written termination notice within thirty (30) days of the Taking. If Tenant gives Landlord such termination notice, this Lease shall terminate as of the date on which such possession shall be required by the public or quasi-public body, and Tenant shall have no further liabilities or obligations hereunder other than to pay Rent, taxes and other charges accrued hereunder as of such date of termination. All awards, proceeds, compensation or other payments from or with respect to any Taking of the Premises or any portion thereof shall belong to Landlord, Tenant hereby assigning to Landlord all of its right, title, interest and claim to same. Tenant shall have the right to assert a claim for and recover from the condemning authority, but not from

Landlord, such compensation as may be awarded on account of Tenant's moving and relocation expenses, and depreciation to and loss of Tenant's movable personal property.

**12. Tenant's Defaults; Remedies:** The following events which remain uncured past the applicable notice and cure periods provided below shall be deemed to be events of default (an "Event of Default") by Tenant under this Lease:

(a) Tenant shall fail to pay any installment of the Rent herein reserved when due, or any other payment or reimbursement to Landlord required herein when due, and such failure shall continue for a period of fifteen (15) business days from the date such payment was due following written notice thereof by Landlord to Tenant (except that Landlord shall not be required to provide notice to Tenant of any non-payment of Rent in order to declare an Event of Default due to such non-payment after Landlord has provided two (2) such notices to Tenant in any calendar year).

(b) Tenant shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors.

(c) Tenant shall file a petition under any section or chapter of the National Bankruptcy Code, as amended, or under any similar law or statute of the United States or any state thereof; or an order for relief shall be entered against Tenant in any proceedings filed against Tenant thereunder.

(d) A receiver or trustee shall be appointed for all or substantially all of the assets of Tenant.

(e) Tenant shall fail to discharge any lien placed upon the Premises in violation of Section 38 hereof within sixty (60) days after any such lien or encumbrance is filed against the Premises.

(f) Tenant shall fail to maintain a Lease Payment Coverage Ratio of at least 1.00 in any Fiscal Year commencing with the Fiscal Year ending June 30, 2022, pursuant to Section 18 hereof.

(g) Tenant shall fail to comply with any term, provision or covenant of this Lease (other than the foregoing in this Section 12) and shall not cure such failure within sixty (60) days after written notice thereof to Tenant (but if such cure cannot be reasonably achieved by Tenant within such 60-day period, Landlord may not exercise any remedy so long as Tenant has commenced to cure the obligation within such 60-day period and thereafter diligently pursues such cure to completion).

#### **12.1 Landlord's Remedies:**

(a) Upon the occurrence of any such Event of Default described in Section 12 hereof, Landlord shall have the option to pursue any one or more of the following remedies after written notice to Tenant:



(1) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord and if Tenant fails so to do, Landlord may without prejudice to any other remedy which it may have for possession or arrearage in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any party thereof without being liable for prosecution or any claim for damages therefor.

(2) Enter upon and take possession of Premises as permitted under law and expel or remove Tenant and any other person who may be occupying such Premises or any part hereof without being liable for prosecution or any claim for damages therefor, and relet the Premises and receive the Rent therefor, provided that such expulsion or removal is pursuant to law, all without terminating the Lease.

(3) Alter all locks and other security devices at the Premises without terminating this Lease.

(b) In the event Tenant fails to pay any installment of Rent hereunder within fifteen (15) days after notice that such installment is past due, Tenant shall pay to Landlord a late charge in an amount equal to five percent (5%) of any late installment under this Lease. The failure to pay such amount within fifteen (15) days after receipt by Tenant of written demand therefor shall be an Event of Default hereunder (except that Landlord shall not be required to provide notice to Tenant in order to assess such late charge after Landlord has provided two (2) such notices to Tenant in any calendar year). In addition, past due sums owed by Tenant to Landlord under this Lease shall accrue interest at a rate of twelve percent (12%) per annum ten (10) days after any payment is past due. The provision for the late charge and interest shall be in addition to all of Landlord's other rights and remedies hereunder and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner.

(c) Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. If Landlord elects to so exclude Tenant from the Premises without terminating this Lease or Tenant's right to possession of the Premises pursuant to the provisions of this Lease, then Landlord shall be obligated to provide Tenant a key to re-enter the Premises only upon payment in full of all delinquent Rent due under this Lease and the curing of all other defaults, if any. No such alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Premises shall be deemed to constitute a conversion; provided, however, that Landlord shall allow Tenant reasonable access to and the right to remove from the Premises property of Tenant or others at the Premises. All claims for damages by reason of such re-entry and/or repossession and/or alteration of locks or other security devices are hereby waived (with the exception of claims based on intentional damage or destruction), as are all claims for damages by reason of any distress warrant, forcible detainer proceedings, attachment proceedings or other legal process. Tenant agrees that any re-entry by Landlord may be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings or without the necessity for any legal proceedings, as Landlord may elect, and Landlord shall not be liable in trespass or otherwise.

(d) In the event Landlord elects to terminate the Lease by reason of any Event of Default, then notwithstanding such termination, at Landlord's option, and in addition to other remedies hereunder, Landlord may demand and Tenant shall pay to Landlord, at the address specified for notice to Landlord herein, the sum of all rental and other indebtedness accrued to date of such termination, plus, as damages, an amount equal to the then present value (calculated based upon the federal discount rate of interest charged on loans to depository institutions by the New York Federal Reserve Bank at the time of termination or, if unavailable, an equivalent index or rate reasonably selected by Landlord) of the total rental hereunder for the remaining portion of the Lease Term less the then fair rental value of the Premises for the remaining portion of the Lease Term which shall be rebuttably presumed to be the value determined by Landlord in its reasonable discretion and submitted by Landlord to Tenant in writing, and the payment of such sums shall satisfy Tenant's rental obligations hereunder.

(e) In the event that Landlord elects to repossess the Premises without terminating the Lease, then Tenant shall be liable for and shall pay to Landlord, at the address specified for notice to Landlord herein, all rental and other indebtedness accrued to the date of such repossession, plus rental required to be paid by Tenant to Landlord during the remainder of the Lease Term until the date of expiration of the Lease Term, diminished by any net sums thereafter received by Landlord through reletting the Premises during said period (after deducting expenses incurred by Landlord as provided in Section 12.1(f) herein). In no event shall Tenant be entitled to any excess of any monthly rental obtained by reletting over and above the monthly rental herein reserved. Actions to collect amounts due by Tenant to Landlord under this subparagraph may be brought from time to time, on one or more occasions, without the necessity of Landlord waiting until expiration of the Lease Term.

(f) In case of any Event of Default, Tenant shall also be liable for and shall pay to Landlord, at the address specified for notice to Landlord herein, in addition to any sum provided to be paid above, any reasonable brokers' fee incurred by Landlord in connection with reletting the whole or any part of the Premises; the costs of removing and storing Tenant's or other occupant's property; the reasonable costs of repairing the Premises (other than structural elements) and performing any maintenance obligations Tenant is obligated to perform hereunder and has not performed; and all expenses incurred by Landlord in enforcing or defending Landlord's rights and/or remedies including actual attorney's fees, whether suit is actually filed or not.

Regardless of the remedies elected by Landlord hereunder, Landlord shall be obligated in the event the Premises are vacated by Tenant to exercise commercially reasonable efforts (to the extent required by applicable law) to re-let the Premises on the economic terms available to Landlord. Landlord shall not be obligated to incur any significant expense in attempt to re-let the Premises (including advertising, renovation, or similar expenses) unless Tenant advances such expenses.

(g) If Tenant should fail to make any payment or cure any default hereunder within the time herein permitted, Landlord, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such other default for the account of Tenant (and enter the Premises for such purpose), and thereupon Tenant shall be obligated to, and hereby agrees, to pay Landlord, upon demand, all costs, expenses and

disbursements (including actual attorney's fees) incurred by Landlord in taking such remedial action.

**13. Landlord's Default and Tenant's Remedies; Limitation of Landlord's Liability:**

Landlord shall be in default of this Lease if Landlord fails to perform any term, condition, covenant or obligation of this Lease on the part of Landlord to be performed within sixty (60) days (but if such cure cannot be reasonably achieved by Landlord within such 60-day period, Tenant may not exercise such any remedy so long as Landlord has commenced to cure the obligation within such 60-day period and thereafter diligently pursues such cure to completion) after the date on which Landlord receives from Tenant written notice describing such failure, then Tenant shall have the right, upon delivery of three (3) business days' notice to Landlord, to cure such default by Landlord on behalf of, and at the sole cost and expense of, Landlord. Landlord shall reimburse Tenant for its reasonable costs and expenses incurred in connection with any such cure within thirty (30) days after Tenant's delivery to Landlord of an invoice therefor, failing which Tenant may offset such costs and expenses against any Rent and other amounts payable by Tenant hereunder, monthly as Rent becomes due and payable by Tenant hereunder until Tenant is fully reimbursed (but any monthly offset may not exceed ten percent (10%) of the total Rent payable by Tenant to Landlord with respect to such month).

Tenant's right to such offset shall not be applicable in such case where Landlord's lender forecloses on the property. Tenant agrees to look solely to Landlord's interest (or its successor's interest) in the Premises for the recovery of any judgment against Landlord, it being agreed that neither Landlord (and its partners (general or limited), officers, directors, and shareholders) nor any mortgagee shall ever be personally liable for any such judgment. In addition, Tenant also agrees that Tenant shall not be entitled to recover from Landlord or any of its agents, employees, officers, partners, servants or shareholders any indirect, special or consequential damages Tenant may incur as a result of a default under this Lease or other action by Landlord, its agents, employees, officers, partners, servants or shareholders. The provisions contained in the foregoing sentences are not intended to, and shall not, limit any right that Tenant might otherwise have to (i) obtain injunctive relief against Landlord or Landlord's successors in interest, or (ii) any suit or action in connection with enforcement or collection of amounts which may become owing or payable under or on account of insurance maintained by Landlord.

**14. Representations and Warranties; Covenants:**

**14.1 Landlord/Tenant Covenants.**

(a) Landlord covenants for the benefit of Tenant that the Landlord Improvement Work, the installation of utilities located within the Premises or within the Improvements shall be done in a good and workmanlike manner and substantially comply with all applicable laws, ordinances and requirements, including without limitation the procuring of all building and other permits, licenses, approvals and certificates of occupancy and the observance of applicable building, zoning and other code requirements, of governmental authorities with competent jurisdiction, and notwithstanding any other provision of this Lease to the contrary, if any capital improvements, alterations or renovations to the Premises shall be required by any law, ordinance or requirement of any governmental authority with competent jurisdiction other than as a result of Tenant's specific use of the Premises, or as a result of the Tenant Improvement Work,

then Landlord, at its sole cost and expense, shall perform such improvements, alterations or renovations in a timely manner; provided, however, no alleged violation by Landlord of any such law, ordinance or requirement shall be deemed to constitute a Landlord default, so long as Landlord shall contest, in good faith, the validity of such law, ordinance or requirement or the existence of the alleged violation thereof.

(b) Tenant covenants for the benefit of Landlord that the Tenant Improvement Work, its maintenance and repairs and its use and occupancy of the Premises for the conduct of its business operations shall be done in a good and workmanlike manner and substantially comply with all applicable laws, ordinances and requirements, including without limitation the procuring of all applicable building and other permits, licenses, approvals and certificates of occupancy and the observance of applicable building, zoning and other code requirements, of governmental authorities with competent jurisdiction; provided, however, that no alleged violation by Tenant of any such law, ordinance or requirement shall be deemed to constitute an Event of Default so long as Tenant shall contest, in good faith, the validity of such law, ordinance or requirement or the existence of the alleged violation thereof.

14.2 Warranty of Title: Landlord covenants for the benefit of Tenant that:

(a) Landlord has fee simple title to the Premises and has full authority to perform this Lease; and

(b) as of the Tenant Possession Date (as extended hereunder from time to time), no third party shall have any right, title or interest adverse to Tenant's right, title and interest hereunder in or to the Premises other than the Landlord's Lender which holds the mortgage to the Premises and no other deed of trust or other lien or restriction encumbers the Premises. This Lease shall also be subject to the easements, covenants, conditions, restrictions and other title matters now of record with respect to the Premises (collectively, the "Permitted Encumbrances") that are effective as of the Effective Date of this Lease and any easements, covenants, conditions, restrictions and other title matters necessary, in Landlord's sole discretion, for the construction of the Premises pursuant to the terms of this Lease and that do not materially interfere with Tenant's use and enjoyment of the Premises.

14.3 Hazardous and Toxic Conditions:

(a) To the best of Landlord's actual knowledge, Landlord represents for the benefit of Tenant that the Premises does not now as of the Effective Date, and at the Tenant Possession Date will not, violate any laws pertaining to any material classified as toxic or hazardous under applicable federal, state and local laws, ordinances and requirements of governmental authorities with competent jurisdiction (collectively, a "Hazardous Substance"). If a Hazardous Substance is discovered on the Premises to the extent the condition existed prior to or on the Tenant Possession Date or as a result of any condition that arose after the Tenant Possession Date that is not a Tenant Caused Condition as defined below, then Landlord shall promptly give Tenant written notice of such condition and promptly cause such Hazardous Substance to be cleaned up and the Premises brought into compliance with applicable laws, ordinances and requirements of governmental authorities with competent jurisdiction. Landlord

agrees to indemnify Tenant pursuant to the provisions of Section 17 hereof against any Losses as defined in Section 17 incurred by Tenant arising out of any such toxic or hazardous condition.

(b) Tenant agrees that, except for de minimis amounts of Hazardous Substances brought onto the Premises as necessary to service Tenant's vehicles, or to clean the Premises or by Tenant's employees in the form of fluid for cigarette lighters and other personal items, it shall not bring Hazardous Substances onto the Premises nor allow Tenant's employees or business invitees to bring Hazardous Substances onto the Premises. Tenant agrees to indemnify Landlord pursuant to the provisions of Section 17 hereof against any Losses incurred by Landlord arising out of any Hazardous Substance created by Tenant on the Premises or out of any Hazardous Substances brought onto the Premises by Tenant, its employees, contractors, licensees or invitees ("Tenant Caused Condition"). Tenant shall have the right at any time during the Term of the Lease, at its sole cost and expense, to make soil, environmental and other tests on the Premises, provided that Tenant provides prior written notice of such tests to Landlord and repairs all damage caused by such tests.

14.4 No Brokers: Landlord and Tenant agree that there were no brokers used in connection with this Lease and thus no broker is entitled to any fees or charges in connection with this Lease. Tenant agrees to indemnify, defend (with counsel reasonably acceptable to Landlord) and hold harmless the Landlord from and against any liability from all other claims for commissions, finder's fee or other compensation arising from the negotiation of this Lease. Landlord agrees to indemnify, defend (with counsel reasonably acceptable to Tenant) and hold harmless the Tenant from and against any liability from all other claims for commissions, finder's fee or other compensation arising from the negotiation of this Lease.

#### 14.5 Reporting and Filing Requirements:

(a) Tenant shall provide Landlord and, so long one or more of the Loans are outstanding, the Lenders, with copies of the following:

(1) a copy of its annual certified financial statements within 60 days of each fiscal quarter beginning with the calendar quarter ending December 31, 2021 prepared in accordance with GAAP.

(2) as soon as the same are available, but in no event later than 30 days after filing (and, if an extension has been properly filed with the IRS, a copy of the extension must be provided to Landlord no later than 30 days after the date filed with the Internal Revenue Service), a copy of Tenant's tax returns (including all applicable Schedules and K1's attached) for the previous fiscal year.

(3) concurrent with the delivery of the quarterly financial statements, Tenant will provide to Landlord enrollment reports and wait lists for the IDEA Fowler Campus.

(4) promptly after delivery to the Local School Board, Tenant will provide to Landlord copies of each enrollment report, annual budget, and financial reports

of the IDEA Hart Pond Campus, including the annual audit of the IDEA Hart Pond required under charter law for the State of Florida.

(b) Tenant shall also provide such other documents and instruments Landlord may reasonably require.

14.6 Additional Indebtedness: During the Lease Term, except for indebtedness in an aggregate amount not to exceed \$500,000 for the lease, purchase or other acquisition of equipment and personal property to be located upon the Premises, Tenant shall not incur any additional indebtedness relating to the Premises without the written consent of Landlord, which consent may not be granted by Landlord without the express written consent of the Lenders.

## **15. Special Covenants of Tenant:**

15.1 Defined Terms: Capitalized terms used in this Section 15 without being defined herein shall, for the purposes of this Lease, have the meanings set forth in Exhibit H.

15.2 Liquidity: Tenant covenants to accumulate funds equal to the Required Liquidity Level commencing with the Fiscal Year ending June 30, 2023. Such amount shall be based upon the audited financial results of Tenant on an annual basis. Failure to maintain the Required Liquidity Level shall not be an Event of Default under Section 12 of this Lease. However, the Tenant agrees to restore the amount of any deficit within twelve (12) months of the audit indicating such shortfall.

15.3 Lease Payment Coverage Ratio: Tenant covenants to maintain a Lease Payment Coverage Ratio of at least 1.10 for each Fiscal Year, commencing with the Fiscal Year ending June 30, 2022. Commencing with the Fiscal Year ending June 30, 2022, if such Lease Payment Coverage Ratio is below the applicable level, but above 1.00, Tenant shall retain, at its expense, a Management Consultant to submit a written report and make recommendations within sixty (60) days of being with respect to financial matters of Tenant which are relevant to increasing the Lease Payment Coverage Ratio to at least the required level. Tenant will, subject to the exceptions in the next sentence, adopt and follow the recommendations of the Management Consultant and will thereafter calculate the Lease Payment Coverage Ratio for each succeeding fiscal quarter. So long as the Lender and the Management Consultant determine that Tenant is demonstrating reasonable diligence to comply with the appropriate recommendations (excepting certain limited instances when an Opinion of Counsel is obtained excusing such actions by Tenant or where Tenant makes a good faith determination in a statement to the Lender that the Management Consultant's recommendations would violate State or federal law, the educational or charitable purpose of Tenant) and the Lease Payment Coverage Ratio does not fall below 1.00 in any fiscal quarter, Tenant will be deemed to have complied with its covenants hereunder. Tenant shall continue to retain the Management Consultant until Tenant has achieved a Lease Payment Coverage Ratio of at least the required level for at least two consecutive fiscal quarters. Notwithstanding the foregoing, if the Lease Payment Coverage Ratio falls below 1.00 in any Fiscal Year commencing with the Fiscal Year ending June 30, 2022, it shall constitute an Event of Default under Section 12 of this Lease.

Any contract entered into between Tenant and any Management Consultant engaged by Tenant pursuant to this Section 15 must meet the requirements of this Lease.

**16. Landlord's Right of Entry:** Following reasonable advance notice to Tenant (at least twenty-four (24) hours, except in the event of an emergency in which event no notice shall be required), Landlord may enter upon the Premises as often as Landlord reasonably may deem necessary for the purposes of performing such maintenance and repairs as Landlord reasonably may deem necessary or lawfully may be required to perform, inspecting the Premises, offering the Premises for lease (but only during the period which commences nine (9) months prior to the expiration of the then existing Primary Term or Extension Term in the event that Tenant shall not have elected further to extend the Lease Term) or offering the Premises for sale or in connection with any prospective mortgage loans encumbering the Premises. During this nine-month period, Landlord shall have the right to display "For Sale" and "For Lease" signs on the Premises. Landlord's right of entry shall be exercised in a manner and during reasonable hours at times such that there shall be no unreasonable or material interference with the use and occupancy of the Premises by Tenant for the conduct of its business operations.

**17. Indemnification:**

17.1 Tenant Indemnification: Subject to Section 14.3, Tenant agrees to indemnify and hold Landlord harmless from and against any and all losses, damages, claims, suits, actions, judgments, liabilities and expenses, including without limitation reasonable attorneys' fees (collectively, "Losses"), arising out of, or with respect to: (a) any breach of any warranty or representation or any covenant or agreement of Tenant, under this Lease; (b) Tenant's use and occupancy of the Premises; or (c) any injury to, or death of, persons and/or any damage to, or destruction of, property, on or about the Premises, except to the extent any such breach, any injury or death or any damage or destruction arises out of the gross negligence or willful misconduct of Landlord, or any of Landlord's officers, employees, agents, contractors or invitees, or as otherwise specifically provided in this Lease. For clarification purposes, in no event shall Tenant or any of its agents, employees, officers, partners, servants or shareholders be liable for any indirect, special or consequential damages.

17.2 Landlord Indemnification: Subject to Section 14.3, Landlord agrees to indemnify and hold Tenant harmless from and against any and all losses, damages, claims, suits, actions, judgments, liabilities and expenses, including without limitation reasonable attorneys' fees (collectively, "Losses"), arising out of, or with respect to: (a) any breach of any warranty or representation or any covenant or agreement of Landlord under this Lease; or (b) any injury to, or death of, persons and/or any damage to, or destruction of, property, on or about the Premises and attributable to the gross negligence or willful misconduct of Landlord or Landlord's officers, employees, agents, contractors or invitees, except to the extent any such breach, any injury or death or any damage or destruction arises out of the negligence or misconduct of the Tenant or any of Tenant's officers, employees, agents, contractors or invitees, or as otherwise specifically provided in this Lease. For clarification purposes, in no event shall Landlord or any of its agents, employees, officers, partners, servants or shareholders be liable for any indirect, special or consequential damages.

17.3 Conditions; Survival: The indemnification obligations created by this Section 17 shall be expressly conditioned upon the party seeking indemnification (i) delivering to the other party prompt notice of any event giving rise to such indemnification obligation and (ii) providing such other party the opportunity to defend itself from and against any Losses. These indemnification obligations shall survive the expiration of the Lease Term (or earlier termination of this Lease).

**18. Transfers:**

18.1 Assignment and Subletting: Except as provided in this Section 18, Tenant shall not assign this Lease nor sublet all or any portion of the Premises, without the consent of Landlord, which may give or withhold its consent in its sole discretion; provided, however, that Tenant shall have the right, without the consent of Landlord, to assign this Lease or sublet the Premises to a Permitted Transferee. For purposes of this Lease the term "Permitted Transferee" shall be defined as any entity which controls, is controlled by or is under common control with Tenant, or any entity which shall acquire the business segment of Tenant that conducts operations at the Premises. Tenant shall give Landlord written notice of any such permitted transfer within ten (10) days after the effective date of such Transfer. Absent the written agreement of Landlord, no assignment of this Lease or subletting of all or any portion of the Premises shall relieve Tenant of any of the terms, conditions, covenants and obligations of this Lease on the part of Tenant to be performed. Tenant agrees to pay on behalf of Landlord any and all reasonable costs of Landlord occasioned by any transfer, including without limitation, any cost imposed by any governmental authority in connection with any of the foregoing and Landlord's attorneys fees and expenses that shall not exceed \$1,500.00.

19. Holding Over: If Tenant shall continue to occupy the Premises after the expiration of the Lease Term or the earlier termination of this Lease, then Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month, subject to the terms and conditions of this Lease; provided, however, that either party shall have the right to terminate such month-to-month tenancy upon delivery of thirty (30) days' notice to the other and the rent shall be one hundred fifty percent (150%) of the Rent charged in the last full month before expiration of the Lease Term or earlier termination of the Lease (for the first thirty (30) days of Tenant's holdover and two hundred percent (200%) thereafter). The provisions of this paragraph shall survive the expiration or termination of this Lease. In the event of any unauthorized holding over in excess of thirty (30) days and Tenant fails to vacate the Premises thereafter within ten (10) business days after written notice from Landlord, Tenant shall also indemnify Landlord against (i) all claims for actual damages by any other lessee to whom Landlord may have leased all or any portion of the Premises and (ii) for all other actual and foreseeable losses, costs, and expenses, including reasonable attorneys' fees incurred by Landlord by reason of Tenant's holdover.

**20. Quiet Enjoyment:**

20.1 Landlord's Covenant: Landlord covenants and agrees that so long as no Event of Default by Tenant is continuing beyond applicable cure period(s), Tenant shall have the peaceful and quiet possession and enjoyment of the Premises (subject to all mortgages and other matters of record to which this Lease, is or shall become, subordinate in accordance with the



provisions of Section 21) for the conduct of its business operations during the Lease Term, without hindrance by Landlord or any party claiming by, through or under Landlord.

**21. Subordination and Attornment/Estoppel:**

(a) Tenant covenants and agrees, on the terms and conditions provided in this Section 21, that this Lease shall be subordinate to any ground lease or mortgage or deed of trust that now or hereafter shall encumber the Premises. Within ten (10) days after Landlord's written request, Tenant shall execute a commercially reasonable Subordination, Non-Disturbance and Attornment Agreement (a "SNDA") in favor of the ground lessor or mortgagee, as applicable, stating (in addition to other reasonable terms, if any) in substance that (i) if Tenant is not in default hereunder, the right of possession of Tenant to the Premises shall not be affected or disturbed by any ground lessor or mortgagee in the exercise of any of its rights under a ground lease, or mortgage (or the note secured thereby), and any sale of the Premises pursuant to the exercise of any rights and remedies under a ground lease or mortgage or otherwise shall be made subject to Tenant's right of possession to the Premises under this Lease; and (ii) Tenant shall attorn to any ground lessor, or mortgagee or purchaser at a foreclosure sale (a "Purchaser") upon acquisition of title to the Premises by a ground lessor, mortgagee or Purchaser and notice to Tenant therefor, and this Lease shall continue in full force and effect between Tenant and such ground lessor, or mortgagee or Purchaser. Upon full execution of such SNDA by Tenant and a ground lessor, or mortgagee or beneficiary, from time to time, Tenant covenants and agrees to attorn to such ground lessor, or mortgagee or beneficiary upon foreclosure. Without limiting the generality of the foregoing, Landlord shall deliver to Tenant a commercially reasonable SNDA from the ground lessor of each ground lease, or mortgagee and beneficiary of each mortgage and deed of trust, respectively, including without limitation any ground lease, and mortgages and deeds of trust now encumbering the Premises. Notwithstanding the foregoing, any mortgagee or the holder of a deed of trust may, at any time, subordinate its mortgage or deed of trust to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage or deed of trust without regard to their respective dates or execution and delivery, and in that event, such mortgagee shall have the same rights and obligations with respect to this Lease as if this Lease had been executed prior to the execution and delivery of the mortgage.

(b) In the event that estoppel certificates now or hereafter may be required by any ground lessor under a ground lease, or, mortgagee or beneficiary of any mortgage or deed of trust, respectively, encumbering the Premises, or any prospective purchaser of the Premises Tenant further covenants and agrees to execute (within ten (10) business days following Tenant's receipt of a written request therefor) certificates containing the substance of the following statements (together with other reasonable terms, if any): (i) that the copy of the Lease attached to the certificate is a true and complete copy of the Lease and there are no amendments, modifications or alterations of the Lease, except as stated; (ii) that the Premises required to be furnished under the Lease have been completed in accordance therewith, the date on which Tenant accepted possession of such Premises and that Tenant now occupies the same; (iii) that Tenant began paying monthly installments of Rent under the Lease on a given date and no such installment has been paid more than one month in advance; and (iv) that the Lease is in full force and effect, and, except as noted, there exists, to Tenant's knowledge, no defense or offset to enforcement of the Lease by Landlord, Tenant is not in default under the Lease, and, to Tenant's knowledge, Landlord is not in default under the Lease.



25. **Entire Agreement; Amendments:** This Lease contains the entire agreement between the parties, and no promise, representation, warranty, covenant, agreement or understanding not specifically set forth in this Lease shall be binding upon, or inure to the benefit of, either party. This Lease may not be amended, altered, modified or supplemented in any manner except by an instrument in writing duly executed by the parties.

26. **Governing Law; Interpretation:** This Lease shall be construed and enforced in accordance with the laws of the state of Florida, and the venue shall be in Leon County, Florida. The fact that this Lease shall have been prepared by the attorney for either Landlord or Tenant shall not be used to construe or interpret this Lease for or against either party; the parties intend that the provisions of this Lease shall be given their fair meaning and no court shall construe this Lease more stringently against one party than against the other.

27. **Authority; Binding Effect:** If Landlord or Tenant shall be a corporation, trust or general or limited partnership, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity. The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties and their respective successors and assigns.

28. **No Waiver:** The failure of Landlord or Tenant to insist upon strict performance of any of the terms, conditions, covenants and obligations contained in this Lease shall not be deemed a waiver of any rights or remedies for any subsequent breach or default in the terms, conditions, covenants and obligations herein contained.

29. **Recording:** No later than five (5) days after the Effective Date, the Parties shall execute and acknowledge a memorandum of lease for recording purposes, which memorandum of lease shall be substantially in the form attached hereto as Exhibit "G" and shall be recorded in the Real Property Records of County, Florida.

30. **Incorporation of Exhibits:** Each of the attached Exhibits hereby is incorporated in and made a part of this Lease as if set forth herein. In the event of any conflict between the body of this Lease and the provisions set forth in the Exhibits, the provisions set forth in the Exhibits shall be deemed to control.

31. **Section Headings:** The Section headings hereof are intended for convenience and reference purposes only and shall not be used to construe or interpret this Lease.

32. **Severability:** If any provision of this Lease shall be determined by any court to be invalid, illegal or unenforceable to any extent, then the remainder of this Lease shall not be affected, and this Lease shall be construed as if the invalid, illegal or unenforceable provision had never been contained in this Lease.

33. **Transmittal:** Submission of this Lease for examination, even though executed by Landlord or Tenant, shall not bind the other party in any manner, and no lease or other obligation on the part of either party shall arise until this Lease shall be executed and delivered by the parties, each to the other.

**34. Additional Actions and Documents:** Landlord and Tenant hereby agree to exercise their commercially reasonable efforts to obtain, execute, deliver and file, or cause to be obtained, executed, delivered and filed, as the case may be, such additional documents, instruments and consents as may be necessary, or as reasonably may be requested by either party, and to take such further action as may be necessary, or as reasonably may be requested by either party, at the sole cost and expense of the requesting party, in order fully to effectuate the terms and conditions of this Lease.

**35. Counterparts:** This Lease may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

**36. Mechanic's Liens and Tenant's Personal Property Taxes:**

(a) Tenant shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind the interest of Landlord in the Premises or to set off the rentals payable hereunder against any claim in favor of any person dealing with Tenant, including those who may furnish materials to perform labor for any construction or repairs. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with work performed by Tenant on the Premises (Tenant is not responsible or liable for sums which represent an obligation of Landlord under this Lease) on which any lien is or can be validly and legally asserted against the Premises or the improvements thereon. Tenant will save and hold Landlord harmless from any and all loss, cost or expenses based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Landlord in the Premises or under the terms of this Lease, if such asserted claims or liens are a result from, through or under Tenant (including, without limitation, Tenant's performance of Tenant's Improvement Work or Tenant's performance of its obligations under this Lease), and in such event, Tenant agrees to give Landlord immediate written notice of the placing of any lien or encumbrance against the Premises.

(b) Tenant shall be liable for and promptly pay when due all taxes levied or assessed against personal property, furniture, or fixtures placed by Tenant in the Premises. If any such taxes for which Tenant is liable are levied or assessed against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property, furniture or fixtures placed by Tenant in the Premises, and Landlord elects to pay the taxes based on such increase, Tenant shall pay the Landlord upon demand that part of such taxes.

**37. Landlord's Lien Waiver:** Landlord waives all rights which Landlord now or hereafter may have, under the laws of the State of Florida to levy or distrain upon or to claim or assert any lien, right, claim or title to, any of the personal property of Tenant which now or hereafter may be located on the Premises, in order to enforce any obligation of Tenant, including, without limitation, the obligation to pay rent and any other monetary obligation arising hereunder; provided however this provision should not prohibit Landlord from exercising the remedies described at Section 12 hereof.

**38. Third Party Beneficiary:** The parties hereto expressly understand and agree that there is no third party beneficiary to the rights of Landlord or Tenant hereunder.

**39. Legal Expenses:** If either party is required to bring or maintain any action including assertion of any counterclaim, cross-claim, or claim in a proceeding in bankruptcy, receivership, or any other proceeding instituted by a party hereto or by others), or otherwise refers this Lease to an attorney for the enforcement of any of the covenants, terms, or conditions of this Lease, the prevailing party in such action shall, in addition to all other payments required herein, receive from the other all the costs incurred by the prevailing party at and in preparation for arbitration, trial, appeal, review, and proceedings in bankruptcy court, including, but not limited to, matters unique to bankruptcy, including, but not limited to, such costs and reasonable attorneys' fees.

**40. Patriot Act:** Each of Landlord and Tenant, each as to itself, hereby represents its compliance with all applicable anti-money laundering laws, including, without limitation, the USA Patriot Act, and the laws administered by the United States Treasury Department's Office of Foreign Assets Control, including, without limitation, Executive Order 13224 ("Executive Order"). Each of Landlord and Tenant further represents (i) that it is not, and it is not owned or controlled directly or indirectly by any person or entity, on the SDN List published by the United States Treasury Department's Office of Foreign Assets Control and (ii) that it is not a person otherwise identified by government or legal authority as a person with whom a U.S. Person is prohibited from transacting business. As of the date hereof, a list of such designations and the text for the Executive Order are published under the internet website address [www.ustreas.gov/offices/enforcement/ofac](http://www.ustreas.gov/offices/enforcement/ofac). If Landlord transfers its interest under this Lease, whether by sale of the Real Property or Improvements or by assignment or by other means (including any transfer by operation of law), and the transferee, assignee or other successor to Landlord's interest (collectively, "Landlord Transferee") is not a subsidiary or affiliate of Landlord, then, in connection with such transfer, the Landlord Transferee shall warrant and represent to Tenant, at the time of such transfer, each of the foregoing warranties and representations set forth above. If Tenant transfers its interest under this Lease, by assignment or by other means (including any transfer by operation of law), and the transferee, assignee or other successor to Tenant's interest (collectively, "Tenant Transferee") is not a subsidiary or affiliate of Tenant, then, in connection with such transfer, the Tenant Transferee shall warrant and represent to Landlord, at the time of such transfer, each of the foregoing warranties and representations set forth above.

**41. Time of the Essence:** Time is of the essence for the performance of each term, condition and covenant of this Lease. The foregoing shall not operate, however, to reduce the time period allocated for the performance of any obligation or the curing of any default if a time period is specified in the Lease for the performance of such obligation.

**42. Required Radon Disclosure:** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the county health department.

*[remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have caused this Lease to be duly executed by each of their respective authorized representatives as of the day and year first above written.

**“LANDLORD”**

**IPS ENTERPRISES, INC.,**  
a Texas nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“TENANT”**

**IDEA FLORIDA, INC.,**  
a Florida non-profit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SCHEDULE I

Base Rent

## EXHIBIT "A"

### Legal Description

The Land referred to herein below is situated in the County of Hillsborough, State of Florida, and is described as follows:

THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 20 EAST, AS RECORDED IN THE PUBLIC RECORDS OF HILLSBOROUGH COUNTY, FLORIDA.

The Land referred to herein below is situated in the County of Hillsborough, State of Florida, and is described as follows:

A TRACT OF LAND LOCATED IN THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 20 EAST, HILLSBOROUGH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 16; THENCE ALONG THE WEST BOUNDARY OF THE NORTHWEST 1/4 OF SAID SECTION 16, S. 00°12'09" E., 1325.47 FEET TO THE NORTH BOUNDARY OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE ALONG SAID NORTH BOUNDARY, S. 89°49'15" E., 494.11 FEET TO THE WEST BOUNDARY OF THE EAST 800 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE ALONG SAID WEST BOUNDARY, S. 00°18'23" E., 14.08 FEET TO THE SOUTH MAINTAINED RIGHT OF WAY OF SKEWLEE ROAD AND THE POINT OF BEGINNING, THENCE ALONG SAID SOUTH RIGHT OF WAY THE FOLLOWING SIX (6) COURSES: 1) N. 86°14'00" E., 65.31 FEET; 2) S.89°25'08" E., 94.81 FEET; 3) S.89°30'33" E., 94.16 FEET; 4) S.89°44'10" E., 89.38 FEET; 5) S.89°36'16" E., 96.91 FEET; 6) S.86°06'43" E., 60.38 FEET TO THE WEST BOUNDARY OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 16; THENCE ALONG SAID WEST BOUNDARY, S.00°09'24" E., 317.30 FEET TO THE SOUTH BOUNDARY OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°45'26" E., 315.63 FEET TO THE WEST MAINTAINED RIGHT OF WAY OF HART POND ROAD; THENCE ALONG SAID WEST RIGHT OF WAY THE FOLLOWING FIVE (5) COURSES: 1) S.00°13'17" W., 3.69 FEET; 2) S.00°20'42" W., 99.95 FEET; 3) S.01°10'43" E., 29.99 FEET; 4) S.00°23'22" W., 66.07 FEET; 5) S.00°05'03" E., 273.73 FEET TO THE NORTH BOUNDARY OF THE SOUTH 528 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 AFORESAID SECTION 16; THENCE ALONG SAID NORTH BOUNDARY, N. 89°33'59" W., 812.92 FEET TO THE WEST BOUNDARY OF THE EAST 800 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 16, THENCE ALONG SAID WEST BOUNDARY N. 00°18'23" W., 788.57 FEET TO THE POINT OF BEGINNING. LESS AND EXCEPT HILLSBOROUGH COUNTY MAINTAINED RIGHT OF WAY.

Exhibit "A"



EXHIBIT “B”

Working Drawings

## EXHIBIT "C"

### Landlord's Improvement Work

This Work Letter Agreement ("Work Letter") is attached to and made a part of the Lease. All terms used in this Work Letter which have been defined in the Lease have the same meaning as set forth in the Lease. This Work Letter shall set forth the terms and conditions relating to the construction of improvements in the Premises.

1. **Scope** – Except as set forth in this Work Letter, Tenant accepts the Premises in their "AS IS" condition on the Effective Date of the Lease. Landlord shall perform or cause to be performed the following work in the Premises ("Work"):

a. Working Drawings – Certain improvements in substantial accordance with the construction documents attached as Exhibit "B" to the Lease (collectively, the "Working Drawings") prepared by WGI, Inc. dated [ ]

b. Unless otherwise specifically stated in the Working Drawings, all Work will be constructed using quality materials, quantities and procedures in accordance with all applicable codes and laws ("Building Standards").

c. The Work shall include all things necessary or reasonably inferred from the Working Drawings to complete the Improvements in such a fashion as to accomplish Tenant's intended use.

2. **Approval of Drawings** – All plans, drawings, specifications and other details describing the Work which have been or are hereafter furnished by or on behalf of Tenant shall be subject to Landlord's approval, which shall not be unreasonably withheld or delayed. Neither the approval by Landlord of the Work or the Working Drawings shall constitute any warranty by Landlord to Tenant of the adequacy of the design for Tenant's intended use of the Premises.

a. Tenant Approval of Working Drawings – Tenant has approved or shall approve the Working Drawings (such approval not to be unreasonably withheld or delayed) within ten (10) business days (for initial plan submissions and five (5) business days for subsequent plan submissions) after receipt of same from Landlord by initialing and returning to Landlord each sheet of the Working Drawings or by executing Landlord's approval form then in use or by providing another communication in the event of disapproval or requests for information.

b. Tenant Changes – Tenant may only request changes to the interior office space showroom aspects of the Improvements. Any such changes to the scope of Work or the approved Working Drawings requested by Tenant shall be deemed additional work ("Additional Work"). In the event that Tenant desires Additional Work, Tenant shall deliver written notice of the same to Landlord which sets forth in detail the Additional Work that Tenant desires. Landlord may disapprove of the Additional Work (within five (5) business days of receipt of Tenant's notice) in the event that Landlord, in its reasonable discretion, determines that the Additional Work would constitute a material design problem or risk to the Premises or Improvements. In the event

Exhibit "C"

that Landlord approves the Additional Work, Tenant shall bear additional costs related to the Additional Work (“Excess Costs”) and Tenant shall be subject to Tenant Delay as outlined below. Tenant shall pay any Excess Costs to Landlord within ten (10) days following receipt of Landlord’s invoice therefor in reasonable detail.

3. **Cost of Work** – The cost of Work (“Cost of Work”) shall include any and all costs and expenses of the Work including, without limitation: labor (including overtime), materials, architectural and engineering costs, permitting fees and any overhead, profit or construction supervision cost other than any Excess Costs.

4. **Turnkey** – Landlord shall pay for the entire Cost of Work but under no circumstances will Landlord pay for any Additional Work.

5. **Substantial Completion** - Landlord shall cause the Work to be Substantially Completed in accordance with the provisions of Section 7 of the Lease, subject to extension due to any Force Majeure Delays and any “Tenant Delays” (as defined and described in paragraph 6 of this Work Letter).

6. **Tenant Delays** – The term “Tenant Delays” means any delay attributable to Tenant, including:

a. the failure of Tenant to grant approval of the Working Drawings within the time required under paragraph 2 above;

b. the failure of Tenant to grant approval of the Excess Costs within the time required under paragraph 4 above;

c. the failure of Tenant to pay the Excess Costs within the time required under paragraph 4 above;

d. Tenant’s requirements for special work or materials, finishes, or installations other than the Building Standards or Tenant’s requirements for special construction staging or phasing;

e. the failure of Tenant or Tenant’s representative to attend the inspection of the Work as scheduled by Landlord upon completion of construction;

f. the performance of any work in the Premises by any person, firm or corporation employed by or on behalf of Tenant which, in the opinion of a recognized competent licensed architect, delays the construction of the Work; or

g. any other act or omission of Tenant or its agents, employees, vendors or contractors that actually delay the Substantial Completion of the Work.

7. **Tenant Improvements** – Tenant, at its sole cost and expense, may perform the Tenant Improvement Work described in Section 7 of the Lease.

Exhibit “C”

## EXHIBIT “D”

Exhibit “D”

## EXHIBIT "E"

### Renewal Options

- A. If this Lease has not been terminated pursuant to any provisions hereof and no Event of Default by Tenant, beyond any applicable cure period, exists under the Lease as of the date of Tenant's Extension Notice (defined below) or as of the commencement date of the Extension Term (defined below), then Tenant may, at Tenant's option, extend the Term for two (2) successive additional terms of five (5) years each (each an "Extension Term," respectively, sometimes, "First Extension Term", "Second Extension Term", collectively the "Extension Terms") commencing on the expiration of the Primary Term or the immediately preceding Extension Term, as the case may be. Tenant's exercise of such option is conditioned upon Tenant giving Landlord written notice at least six (6) but no more than fifteen (15) months prior to the expiration of the Primary Term or the immediately preceding Extension Term (the "Extension Notice"), as the case may be. Upon the giving by Tenant to Landlord of such written notice, the compliance by Tenant with the foregoing provisions and conditions set forth in this **Exhibit "F"**, this Lease shall be deemed to be extended upon all of the covenants, agreements, terms, provisions and conditions set forth in this Lease (and all references in this Lease to "Lease Term" or "Primary Term" shall be deemed to include (where the context requires) the applicable Extension Term), except that Base Rent for the first year of the applicable Extension Term shall be equal monthly installments of an amount equal to annual principal and interest due by Landlord under the then-current financing of the Premises.
- B. Any termination of this Lease or any termination of Tenant's right of possession hereunder during the Primary Term hereof or during an Extension Term shall terminate all rights to extend granted hereunder. If Tenant shall fail to give Landlord timely notice of its exercise of an option herein contained, Tenant shall be deemed to have waived such option to extend the Term hereof and such option and subsequent option, if any, shall thereupon become null and void.
- C. Tenant may extend the Term only as to all of the Premises as are demised to Tenant on the date of Tenant's exercise of such applicable option to extend. The options to extend granted pursuant hereto are personal to the initial Tenant or a Permitted Transferee. Any termination of this Lease or of Tenant's right to possession under this Lease shall extinguish and cancel all rights of Tenant under this **Exhibit "E"**.

EXHIBIT "F"

Premises Acceptance Letter

<Date>

<Tenant Name>

<Tenant Address>

<Tenant City, ST ZIP>

Attention: <Tenant Contact>

Re: Lease dated <Lease Date> between <Landlord Entity> ("Landlord"), and <Tenant Entity> ("Tenant") for the lease of <Premises> (the "Premises") pursuant to the Lease. Capitalized terms used herein but not defined shall be given the meanings assigned to them in the Lease unless otherwise indicated.

Dear <Tenant Contact>:

Landlord and Tenant agree as follows:

**Condition of Leased Premises.** Tenant has accepted possession of the Leased Premises pursuant to the Lease. Any improvements required by the terms of the Lease to be made by Landlord have been completed to the full and complete satisfaction of Tenant and Landlord has fulfilled all of its duties under Section 7 of the Lease with the exception of the punchlist to be created by Tenant and submitted to Landlord within sixty (60) days of the date of this Premises Acceptance Letter.

**Commencement Date.** The Tenant Possession Date of the Lease is <Tenant Possession Date as adjusted>. The Rent Commencement Date of the Lease is <Rent Commencement Date as adjusted>.

**Expiration Date.** The Lease is scheduled to expire on the last day of the Lease Term, which date is <Lease Expiration Date as adjusted>.

**Ratification.** Landlord and Tenant hereby ratify and confirm their obligations under the Lease, and represent and warrant to each other that each party has no defenses thereto. Additionally, Landlord and Tenant further confirm and ratify that, as of the date hereof, the Lease is and remains in good standing and in full force and effect.

**Binding Effect; Governing Law.** Except as modified hereby, the Lease shall remain in full effect and this letter shall be binding upon Landlord and Tenant and their respective successors and assigns. If any inconsistency exists or arises between the terms of this letter and the terms of the Lease, the terms of this letter shall prevail. This letter shall be governed by the laws of the state in which the Leased Premises are located.

Please indicate your agreement to the above matters by signing this letter in the space indicated below and returning an executed original to us.

Exhibit "F"

Sincerely,

**<Landlord Entity or Landlord's Agent>**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Agreed and accepted:

**<Tenant Entity>**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Exhibit "F"

## EXHIBIT "G"

### Form of Memorandum of Lease

#### MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made and entered into to be effective as of [March 29, 2022] (the "Effective Date") by and between IPS ENTERPRISES, INC., a Texas nonprofit corporation ("Landlord") and IDEA FLORIDA, INC., a Florida non-profit corporation ("Tenant"), to place of record a summary of certain terms contained in that certain Lease Agreement dated as of the Effective Date (herein called the "Lease"), by and between Landlord and Tenant, which covers and affects that certain tract of real property, together with all improvements situated thereon, located in Hillsborough County, Florida, which tract is more particularly described in Exhibit A attached hereto and made a part hereof by this reference for all purposes (herein collectively, the "Leased Premises"). For complete terms and provisions of said Lease, reference is here made to same to incorporate them into this Memorandum of Lease the same as if set forth herein in its entirety.

Presented below are certain provisions of the Lease. All other terms, conditions and provisions of the Lease are incorporated herein by this reference.

1. Address of Landlord: 2115 W. Pike Blvd., Weslaco, Texas 78596.
2. Address of Tenant: 4651 Salisbury Road, Suite 418, Jacksonville, Florida 32256.
3. Term: The Primary Term of the Lease commences on the Tenant Effective Date (as defined in the Lease) and ends 5 years thereafter. Subject to the provisions of the Lease, the Lease may be renewed for two additional terms of five years each.
4. Purchase Option: Tenant has the right to purchase the Leased Premises, exercisable as provided in the Lease Agreement.

This Memorandum of Lease shall serve as notice to third parties that Landlord and Tenant have executed the Lease. The provisions of the Lease: (a) are binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, administrators, executors, successors and assigns, and (b) run with the land and are binding upon and inure to the benefit of the respective owners from time to time of the Leased Premises, as the case may be.

Nothing contained in this Memorandum of Lease shall be deemed or construed to amend, modify, change, alter, amplify, interpret or supersede any of the terms, provisions or conditions of the Lease and in the event the terms of this Memorandum of Lease and the Lease conflict, the terms of the Lease shall control.

This Memorandum of Lease may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(Remainder of page intentionally left blank.)

Exhibit "G"



IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be duly executed on the dates of the respective acknowledgments set forth below to be EFFECTIVE for all purposes as of the Effective Date, for the purpose of providing record notice of the Lease.

Landlord:

IPS ENTERPRISES, INC.,  
a Texas nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF TEXAS

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared Leanne Hernandez, the Chief Financial Officer of IPS ENTERPRISES, INC., a Texas nonprofit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

Printed Name of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

After recording return to:

Hunton Andrews Kurth LLP  
600 Travis, Suite 4200  
Houston, Texas 77002  
Attn: Thomas A. Sage

Exhibit "G"

Tenant:

IDEA FLORIDA, INC.,  
a Florida non-profit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF FLORIDA

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, the  
\_\_\_\_\_ of IDEA Florida, Inc., a Florida non-profit corporation, known to me to be the person and  
officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same  
for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Notary Public in and for  
the State of \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

Exhibit "G"

**Exhibit “A”**

**DESCRIPTION OF PROPERTY**

Exhibit “H”

## EXHIBIT “H”

### Definitions

(a) “*Adjusted Revenues*” means, for any period of calculation, the total of all operating and nonoperating revenues of the Tenant directly attributable to the Premises, including but not limited to State Revenues, federal and local funds for school lunches and other food programs, special education, and transportation, including accounts receivable and rights to receive the same plus investment and other income or loss of The Tenant for such period directly attributable to the Premises or its operations in the jurisdictional boundaries of Hillsborough County Public Schools, Florida (the “*Limited Jurisdiction*”); provided, however, that no determination thereof shall take into account (a) any other income or revenues received by the Landlord from the operation of any other facility located within Florida but outside the Limited Jurisdiction or in any other state, (c) any gains or losses resulting from the early extinguishment of Debt or the reappraisal, reevaluation or write-up of assets, (d) gifts, grants, bequests or donations and income thereon that is not expressly dedicated for the benefit of the Facilities or the Tenant by the donor or grantor or is dedicated for a purpose inconsistent with paying principal and interest on the Loan, and (e) net unrealized gain (losses) on investments and Financial Products Agreements; provided that the Adjusted Revenues of the Premises are subject to Florida Statutes, Section 1002.33(17)(b) (2018).

(b) “*Annual Debt Service Requirements*” means, for any Fiscal Year, the principal of (and premium, if any) and interest and other debt service charges (which include for purposes hereof, any fees or premiums for any letter of credit, surety bond, policy of insurance, bond purchase agreement, or any similar credit or liquidity support secured in connection therewith) on all Debt of such Person coming due at maturity or stated maturity, and, for such purposes, any one or more of the following rules shall apply:

(i) Committed Take Out - if such Person has received a binding commitment, within normal commercial practice, from any bank, savings and loan association, insurance company, or similar institution to refund or purchase any of its Debt at its Stated Maturity (or, if due on demand, or payable in respect of any required purchase of such Debt by such Person, at any date on which demand may be made), then the portion of the Debt committed to be refunded or purchased shall be excluded from such calculation and the principal of (and premium, if any) and interest on the Debt incurred for such refunding or purchase that would be due in the Fiscal Year for which the calculation is being made, if incurred at the Maturity or purchase date of the Debt to be refunded or purchased, shall be added;

(ii) Pro Forma Refunding - in the case of Balloon Debt, if the Person obligated thereon shall deliver to the Lender a certificate of a nationally recognized firm of investment bankers or financial consultants dated within ninety (90) days prior to the date of delivery of such certificate to the Lender stating that financing at a stated interest rate (which shall not be less than the Bond Buyer Revenue Bond Index or, if the Bond Buyer Revenue Bond Index is unavailable, a comparable index on the date of such certificate to refund any of such Balloon Debt) with a Stated Maturity of not greater than 30 years is reasonably attainable, then for the purpose of calculating what future Annual Debt Service Requirements will be, any installment of principal of (and premium, if any) and interest

and other debt service charges on such Balloon Debt that could so be refunded shall be excluded from such calculation and the principal plus interest of the refunding debt shall be evenly allocated over the life of the refunding debt with equal principal payments plus interest deemed due each year but solely for the purpose of spreading the principal requirements for calculation of coverage;

(iii) Prefunded Payments - principal of (and premium, if any) and interest and other debt service charges on Debt, or portions thereof, shall not be included in the computation of the Annual Debt Service Requirements for any Fiscal Year for which such principal, premium, interest, or other debt service charges are payable from funds irrevocably deposited or set aside in trust for the payment thereof at the time of such calculations (including without limitation capitalized interest and accrued interest so deposited or set aside in trust or escrowed);

(iv) Variable Rate Debt - as to any Debt that bears interest at a variable interest rate which cannot be ascertained at the time of calculation, an interest rate equal to the greater of an annual interest rate equal to the Bond Buyer Revenue Bond Index (or, if the Bond Buyer Revenue Bond Index is unavailable, a comparable index chosen by Landlord's financial advisor) and the weighted average rate of interest borne by such Debt (or other indebtedness of comparable credit quality, maturity and purchase terms in the event that such Debt was not outstanding) during the preceding Fiscal Year (or any period of comparable length ending within 180 days) prior to the date of calculation shall be presumed to apply for all future dates and the principal shall be evenly allocated over the life of the Debt issue with an equal amount of principal deemed due each year but solely for the purpose of spreading the principal requirements for calculation of coverage;

(v) Contingent Obligations - in the case of any guarantees or other Debt described in clause (iii) of the definition of Debt, the principal of (and premium, if any) and interest and other debt service charges on such Debt for any Fiscal Year shall be deemed to be 25% of the principal of (and premium, if any) and interest and other debt service charges on the indebtedness guaranteed due in such Fiscal Year; provided, however, that if the Person that guarantees or is otherwise obligated in respect of such Debt is actually required to make any payment in respect of such Debt, the total amount payable by such Person in respect of such guarantee or other obligation in such Fiscal Year shall be included in any computation of the Annual Debt Service Requirements of such Person for such year and the amount payable by such Person in respect of such guarantee or other obligation in any future Fiscal Year shall be included in any computation of the estimated Annual Debt Service Requirements for such Fiscal Year; and

(vi) Financial Products - in the event there shall have been issued or entered into in respect of all or a portion of any Debt a Financial Products Agreement with respect to Debt, interest on such Debt shall be included in the calculation of Annual Debt Service Requirements by including for such period an amount equal to the amount payable on such Debt in such period at the rate or rates stated in such Debt plus any payments payable by such Person in respect of such Financial Products Agreement minus any payments receivable by such Person in respect of such Financial Products Agreement, as calculated by the financial advisor to Landlord.

Exhibit "H"

(a) “*Available Revenues*” means, for any period of determination thereof, the amount of excess (deficit) of Adjusted Revenues over Expenses for such period, plus any gifts, grants, requests or donations and income thereon restricted as to use by the donor or grantor for the sole purpose of paying Expenses of the Tenant, but less: (a) unrealized pledges for such period to make a donation, gift, or other charitable contribution, (b) insurance (other than business interruption) and condemnation proceeds, and (c) any gains or losses resulting from the sale, exchange or other disposition of property not in the ordinary course of business.

(b) “*Balloon Debt*” means Debt where the principal of (and premium, if any) and interest and other debt service charges on such Debt due (or payable in respect of any required purchase of such Debt by such Person on demand) in any Fiscal Year either are equal to or exceed 25% of the total principal of (any premium, if any) and interest and other debt service charges on such Debt or exceed by more than 50% the greatest amount of principal of (and premium, if any) and interest and other debt service charges on such Debt due in any preceding or succeeding Fiscal Year.

(c) “*Debt*” means all:

(i) indebtedness incurred or assumed by the Tenant, whether on a senior or subordinate basis as provided herein, for borrowed money or for the acquisition, construction or improvement of property other than goods that are acquired in the ordinary course of business of the Tenant;

(ii) lease obligations of the Tenant that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(iii) all indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money for the acquisition, construction or improvement of property or capitalized lease obligations guaranteed, directly or indirectly, in any manner by the Tenant, or in effect guaranteed, directly or indirectly, by the Tenant through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(iv) all indebtedness (other than items secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the Tenant whether or not the Tenant has assumed or become liable for the payment thereof.

For the purpose of computing “*Debt*”, there shall be excluded (A) any particular Debt if upon or prior to the Maturity thereof, there shall have been deposited with the proper depository in trust the necessary funds (or evidences of such Debt or investments that will provide sufficient

Exhibit “H”

funds, if permitted by the instrument creating such Debt) for the payment, redemption or satisfaction of such Debt and (B) any Debt that is incurred pursuant to, secured under or for the benefit of any other Tenant campus described within any other loan agreement, whether parity thereunder or subordinate thereto; and thereafter such funds, evidences of Debt and investments so deposited shall not be included in any computation of the assets of the Tenant, and the income from any such deposits shall not be included in the calculation of Adjusted Revenues.

(d) “*Expenses*” means, for any period of time for which calculated, the total of all expenses incurred during such period by the Tenant for the Premises, determined in accordance with generally accepted accounting principles, other than (a) interest expense, (b) depreciation and amortization, (c) extraordinary losses resulting from the early extinguishment of debt, the sale or other disposition of assets not in the ordinary course of business or any reappraisal, revaluation or write-down of assets, and any other extraordinary losses or expenses, (d) payments under this Lease, and (e) expenditures that are customarily capitalized pursuant to generally accepted accounting principles.

(e) “*Financial Products Agreement*” means any type of financial management instrument or contract, which shall include, but not be limited to, (i) any contract known as or referred to or which performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or a series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, options, puts or calls, to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate or other financial risk forward supply agreements; and (v) any other type of contract or arrangement that the governing body of the Tenant determines is to be used, or is intended to be used, to manage or reduce the cost of debt (including but not limited to a bond insurance policy), to convert any element of debt from one form to another, to maximize or increase investment return, to minimize investment return risk or to protect against any type of financial risk or uncertainty.

(f) “*Fiscal Year*” means a 12 month fiscal period of the Tenant commencing on July 1 of any calendar year and ending on June 30 of the following year, or such other annual accounting period as the Tenant may hereafter adopt.

(g) “*Lease Payment Coverage Ratio*” means, for the Fiscal Year in question, the ratio obtained by dividing (i) Available Revenues for such Fiscal Year by (ii) (a) the combined actual lease payments due under the Lease (b) plus Annual Debt Service Requirements.

(h) “*Management Consultant*” means a consultant or firm of independent professional management consultants, or an independent school management organization, knowledgeable in the operation of public or private schools and having a favorable reputation for skill and experience in the field of public or private school management consultation and acceptable to the Lender.

#### Exhibit “H”

(i) “*Maturity*” when used with respect to any Debt, means the date on which the principal of such Debt becomes due and payable as therein or herein provided, whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption or otherwise.

(j) “*Operating Expenses*” means all reasonable and necessary current expenses of the Tenant related solely to and arising from the operations of the Premises as a public charter school and provision of educational services related to the Premises, appearing in the budget and including without limitation (a) salaries and administrative expenses, (b) the cost of instructional supplies and materials, (c) insurance premiums, (d) payments under the Management Agreement dated January 1, 2020, between the IDEA Public Schools Inc., the Landlord, and the Tenant, and (e) professional services; provided however, there shall be excluded from Operating Expenses (i) any allowance for depreciation or amortization, (ii) expenses incurred in connection with capital improvements, (iii) expenses paid from grants from state, federal or local sources, or from any person, which were not included as part of Adjusted Revenues, (v) any payments made under this Lease and (vi) payments of debt service, and any similar rental or other payments made for the lease-purchase or financing of capital improvements.

(k) “*Opinion of Counsel*” means a written opinion of counsel, who may (except as otherwise expressly provided) be counsel to any party to the Loan Agreement, and shall be satisfactory to the Lender.

(l) “*Person*” means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

(m) “*Required Liquidity Level*” means a fund balance of the Tenant equivalent to 45 days’ Operating Expenses based upon audited annual financial statements.

(n) “*Stated Maturity*,” when used with respect to any Debt or any installment of interest thereon, means the date specified in such Debt as the fixed date on which the principal of such Debt or such installment of interest is due and payable.

(o) “*State Revenues*” means for any period of time for which calculated, the total of all moneys received by the Tenant from the State of Florida for all of its charter school operations during such period, including grants and loans.



# Assignment of Construction and Development Documents

**THIS ASSIGNMENT OF CONSTRUCTION AND DEVELOPMENT DOCUMENTS** (this “**Assignment**”) is made as of the [\_\_\_\_] day of [\_\_\_\_], 2022, by **IPS ENTERPRISES, INC.** (the “**Borrower**”), with an address at 9555 W. Sam Houston Parkway South, Suite 200, Houston, TX 77099, in favor of **FLORIDA DEPARTMENT OF EDUCATION** (the “**State**”), with an address at Turlington Building, 325 West Gaines Street, Tallahassee, FL 32399.

**WHEREAS**, the State has agreed to make available to the Borrower a second-lien construction loan in the amount of [Eight Million Six Hundred Seventy-Three Thousand Five Hundred Thirty-Five and 00/100 Dollars (\$8,673,535)] (the “**Subordinate Loan**”), which Subordinate Loan is evidenced and secured by the Loan Agreement between the State and the Borrower dated on or about the date hereof (the “**Subordinate Loan Agreement**”), and by the other agreements, instruments and documents referred to therein or delivered in connection therewith, as the same may be amended, renewed or supplemented from time to time (collectively, the “**Subordinate Loan Documents**”); and

**WHEREAS**, the Borrower has obtained a first-lien construction loan in the amount of [Eighteen Million and 00/100 US Dollars (\$18,000,000.00)] (the “**Senior Loan**” and, together with the Subordinate Loan, the “**Loan**”), which Senior Loan is evidenced and secured by the Loan Agreement between CLI Capital, a Texas real estate investment trust (the “**Senior Lender**”), and the Borrower dated as of [\_\_\_\_], 2022 (the “**Senior Loan Agreement**” and, together with the Subordinate Loan Agreement, the “**Loan Agreement**”), and by the other agreements, instruments and documents referred to therein or delivered in connection therewith, as the same may be amended, renewed or supplemented from time to time (collectively, the “**Senior Loan Documents**” and, together with the Subordinate Loan Documents, the “**Loan Documents**”); and

**WHEREAS**, the Borrower is the owner of a certain tract or parcel of land located in Hillsborough County, Florida, which is more particularly described in the Loan Documents, on which the Borrower proposes to construct the Facilities (as defined in the Subordinate Loan Documents) (herein, the “**Improvements**”) using, among other funds, the proceeds of the Loan; and

**WHEREAS**, the Borrower intends to enter into a construction contract with a qualified general contractor licensed in the State of Florida (the “**Contractor**”), as design-builder for the design and construction of the Improvements (the “**Design-Build Agreement**”); and

**WHEREAS**, the Improvements will be constructed by the Contractor pursuant to plans and specifications designed by the Contractor and approved by the Senior Lender and the State (the “**Plans**”), together with the Design-Build Agreement, all consents, licenses, permits, authorizations and approvals relating to the construction, completion, management, use and occupancy of the Improvements and all other instruments, documents and rights required or in any way relating to the design, construction, renovation, use, occupancy or ownership of the Improvements, whether now existing or hereafter arising (the “**Development Documents**”); and

**WHEREAS**, the State has requested and the Borrower has agreed to assign the Development Documents to the State (subject to any prior rights or interests of the Senior Lender) as collateral under the Subordinate Loan Documents on the terms and conditions of this Assignment;

**NOW, THEREFORE**, the Borrower, in consideration of the Subordinate Loan and for other good and valuable consideration, and intending to be legally bound, hereby agrees in favor of the State as follows:

**1. Assignment.** For the purpose of securing the payment and performance of the obligations of the Borrower under the Subordinate Loan Documents, the Borrower hereby assigns, transfers and sets over unto the State and grants a security interest in all of the Borrower’s right, title and interest (whether held now or hereafter acquired) in and to the Development Documents, including (a) the Design-Build Agreement, (b) all contracts with contractors and subcontractors, (c) the Plans, and (d) all consents, licenses, permits, authorizations and approvals relating to the construction, completion, use and occupancy of the Improvements. The Borrower agrees that at any time after the occurrence of an Event of Default (as defined in the Subordinate Loan Agreement) under the

Subordinate Loan Documents, the State may, upon written notice to the Borrower, either exercise in the name and right of the Borrower, or in the name and right of the State as assignee hereunder, all rights and remedies of the Borrower under the Design-Build Agreement and the other Development Documents. The rights and interests of the State pursuant to this Section 1 shall be subject in all respects to any prior rights and interests of the Senior Lender.

**2. Representations and Warranties.** The Borrower hereby warrants and represents to the State that (a) the Borrower will deliver a true and correct copy of the Design-Build Agreement and the Plans to the State, including any and all amendments and modifications thereto, (b) except as contemplated in the Subordinate Loan Documents, the Borrower has not previously assigned, sold, pledged, transferred, mortgaged, hypothecated or otherwise encumbered the Design-Build Agreement or its right, title and interest therein, nor agreed to do so in the future to a party other than the State or the Senior Lender, and (c) the Borrower will be the owner of the Plans and, except as contemplated in the Subordinate Loan Documents, no previous assignment of any interest in the Plans has been made other than to the Senior Lender.

**3. Actions Regarding Development Documents.** The Borrower agrees with the State that the Borrower will not, without the State's prior written consent (with such consent not to be unreasonably withheld, conditioned or delayed), cancel, terminate, amend or modify or consent to any cancellation, termination, amendment or modification of any Development Document. The Borrower agrees to provide the State with copies of all notices from any surety or contractor with respect to any default under any Development Document promptly upon the receipt of such notices. The Borrower further agrees that it will at its own expense conform and comply with all of the terms and conditions of the Development Documents and will take all action to that end as the State may request from time to time. The Borrower agrees to execute and deliver such instruments and documents as the State may from time to time request in order to further effect the purposes of the assignment contained in this Assignment. The Borrower further agrees that it will not, without the State's prior written consent (with such consent not to be unreasonably withheld, conditioned or delayed), change, amend or modify or consent to any change, amendment or modification of the Plans, other than as expressly permitted hereunder. The Borrower agrees not to assign, pledge, transfer or otherwise encumber its interest in the Plans (other than to the Senior Lender) so long as this Assignment remains in effect.

**4. Appointment of the State as Attorney in Fact.** The Borrower hereby irrevocably appoints the State as its attorney-in-fact, coupled with an interest, to exercise the rights and remedies contained in this Assignment at any time after the occurrence of an Event of Default under the Subordinate Loan Documents until such Event of Default is cured by the Borrower.

**5. Notices.** All notices, demands, requests, consents, approvals and other communications required or permitted hereunder ("Notices") must be in writing and will be effective upon receipt. Notices may be given in any manner to which the parties may separately agree, including electronic mail. Without limiting the foregoing, first-class mail, facsimile transmission and commercial courier service are hereby agreed to as acceptable methods for giving Notices. Regardless of the manner in which provided, Notices may be sent to a party's address as set forth above or to such other address as any party may give to the other for such purposes in accordance with this section.

**6. Preservation of Rights.** No delay or omission on the State's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the State's action or inaction impair any such right or power. The State's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the State may have under other agreements, at law or in equity.

**7. Changes in Writing.** No modification, amendment or waiver of, or consent to any departure by the Borrower from, any provision of this Assignment will be effective unless made in a writing signed by the State, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower in any case will entitle the Borrower to any other or further notice or demand in the same, similar or other circumstance.

**8. Entire Agreement.** This Assignment (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

**9. Successors and Assigns.** This Assignment will be binding upon and inure to the benefit of the Borrower and the State and their respective heirs, executors, administrators, successors and assigns; provided, however, that the Borrower may not assign this Assignment in whole or in part without the State's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, and the State at any time may assign this Assignment in whole or in part.

**10. Interpretation.** In this Assignment, unless the State and the Borrower otherwise agree in writing, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to articles, sections (or subdivisions of sections) or exhibits are to those of this Assignment; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Assignment. Section headings in this Assignment are included for convenience of reference only and shall not constitute a part of this Assignment for any other purpose. Unless otherwise specified in this Assignment, all accounting terms shall be interpreted and all accounting determinations shall be made in accordance with GAAP. If this Assignment is executed by more than one party as Borrower, the obligations of such persons or entities will be joint and several.

**11. Governing Law and Jurisdiction.** This Assignment has been delivered to and accepted by the State and will be deemed to be made in the State of Florida. THIS ASSIGNMENT WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA, EXCLUDING ITS CONFLICT OF LAWS RULES. The Borrower and the State hereby irrevocably consent to the exclusive jurisdiction of any state or federal court in the county or judicial district in Hillsborough County, Florida. The State and the Borrower agree that the venue provided above is the most convenient forum for both the State and the Borrower. The State and the Borrower waive any objection to venue and any objection based on a more convenient forum in any action instituted under this Assignment in the specified county or judicial district.

**12. WAIVER OF JURY TRIAL.** EACH OF THE BORROWER AND THE STATE IRREVOCABLY WAIVES ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS ASSIGNMENT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS ASSIGNMENT OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. THE BORROWER AND THE STATE ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

The Borrower acknowledges that it has read and understood all the provisions of this Assignment, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

**WITNESS** the due execution hereof as a document, as of the date first written above.

**BORROWER:**

IPS ENTERPRISES, INC., a Texas non-profit  
corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**LEASE SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMEN AGREEMENT**

**THIS LEASE SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN AGREEMENT** ("**Agreement**") is made effective as of [\_\_\_\_], 2022, by and between **IDEA FLORIDA, INC.**, a Florida nonprofit corporation ("**Tenant**"); **FLORIDA DEPARTMENT OF EDUCATION** ("**Lender**"), and **IPS ENTERPRISES, INC.**, a Texas nonprofit corporation ("**Borrower**").

**RECITALS:**

A. Lender has agreed to make a loan (the "**Loan**") to Borrower, the repayment of which is to be secured by a Second Lien Mortgage and Security Agreement (With Assignment of Rents and Leases) (the "**Security Instrument**") by Borrower to or for the benefit of Lender, pertaining to certain real property located at or about the intersection of Hart Pond Road and Skewlee Road in Thonotosassa, Hillsborough County, Florida, and legally described on **EXHIBIT "A"** attached hereto and incorporated herein by this reference (the "**Property**"), which is to be or has been recorded in the official real estate records of Hillsborough County, Florida.

B. Tenant is the current lessee of all or a certain portion (the "**Leased Premises**") of the Property pursuant to the provisions of that certain Lease Agreement between Borrower, as landlord, and Tenant, as tenant, dated on or about [\_\_\_\_], 2022 (said instrument, as now or hereafter amended or modified is herein referred to as the "**Lease**").

C. Tenant has been informed that the receipt of this Agreement is a condition to the making of the Loan.

**AGREEMENTS**

1. **SUBORDINATION.** The rights of Tenant under the Lease are subject and subordinate to the rights of Lender under the Security Instrument and to any renewal, modification, consolidation, replacement, increase, or extension of the Security Instrument.

2. **NON-DISTURBANCE.** Neither Lender nor any trustee under the Security Instrument may disturb Tenant's possession of the Leased Premises or otherwise interfere with Tenant's rights under the Lease, unless Tenant is in default under the Lease beyond any cure period in the Lease.

3. **ATTORNMEN; LIABILITY OF LENDER.** If the Property is transferred by foreclosure, by similar judicial or non-judicial proceedings, or by sale in lieu of foreclosure (each a "**Foreclosure Event**"), neither Lender nor any trustee under the Security Instrument shall name Tenant in any foreclosure or similar proceeding, unless Lender or the trustee is required to do so under applicable rules of procedure or other law. In any Foreclosure Event, the Property shall be transferred subject to the Lease; upon request by Lender or other transferee, Tenant shall attorn to Lender or such transferee and promptly execute such instruments as may be appropriate to evidence such attornment; and effective as of the date of transfer, the Lease shall bind Lender or such transferee and Tenant to the same extent as though the transferee had been named lessor in the Lease. However, neither Lender nor such transferee shall be:

(a) liable for any act or omission of the transferor before the transfer, except acts or omissions which continue subsequent to the time Lender or such transferee acquires ownership of the Property, and only to the extent of such continuation;

(b) subject to any claims, offsets or defenses which Tenant had against the transferor (but Tenant is not obligated to pay to the transferee any offsets taken before the Property was transferred), unless Tenant has given Lender notice and opportunity to cure any default pursuant to the provisions of **Section 6**, below;

(c) bound by any rent, additional rent or other charges paid by Tenant more than 30 days in advance of the due date under the Lease;

(d) bound by any Lease amendment after the effective date of this Agreement terminating the Lease prior to expiration or termination as expressly provided in the Lease; changing the term of the Lease other than as expressly provided in the Lease (including existing options, if any); reducing the rent or charges payable by Tenant under the Lease or modifying the allocation of the cost of insurance, taxes or other expenses of the operation of the Property; or otherwise materially reducing the benefits of the Lease to the holder of the lessor's interest in the Lease, which is made without Lender's written consent; or

(e) responsible for any security deposit delivered under the Lease and not received by Lender.

The liability of Lender or any other transferee in a Foreclosure Event or the liability of a subsequent owner designated as landlord under the Lease shall exist only for so long as Lender or such trustee or other transferee is the owner of the Leased Premises.

**4. INSURANCE PROCEEDS AND CONDEMNATION AWARDS.** Any proceeds of Borrower's property insurance or any award in eminent domain proceedings with respect to the Property shall be subject to the terms and conditions of the Security Instrument.

**5. RENT DIRECTIVE.** Borrower has assigned to Lender the right to receive the rents payable under the Lease. If Lender gives notice to Tenant that Lender has elected to have Tenant pay Lender directly the rental and other charges payable by Tenant under the Lease, Tenant shall, until Lender gives tenant notice that it cancels this election, pay the rent and other charges under the Lease to Lender or at Lender's direction. Borrower hereby irrevocably directs and authorizes Tenant to comply with any direction so received by Tenant from Lender. Borrower, by its execution of this Agreement, agrees to hold Tenant harmless for the application of any payments so made.

**6. NOTICE AND OPPORTUNITY TO CURE BORROWER DEFAULTS.** So long as the obligations secured under the Security Instrument have not been satisfied, Tenant shall notify Lender of any default by Borrower of those obligations under the Lease which are of a nature as to give Tenant a right to terminate the Lease, reduce rent or other charges, or to credit or offset any amounts against future rents or other charges. Lender shall thereafter have the right, but not the obligation, to effect the cure of such default within the later of the expiration of Borrower's cure period, if any, under the Lease; or thirty (30) days after the giving of notice by Tenant to Lender; provided, that if such default cannot reasonably be cured by Lender within such thirty (30) day period, the period for cure by Lender shall be extended so long as Lender has expeditiously commenced to cure and is pursuing with due diligence to cure said defaults.

**7. DEEMED CONSENT BY LENDER.** Lender shall be deemed to have given its consent to any amendment of the Lease to which Lender would not otherwise be bound, if Lender fails to respond, either by reasonably requesting additional information or by disapproving the request, within thirty (30) days after Lender's receipt of such request from Borrower, provided such request shall make specific reference to the provisions of this Section and shall expressly state, in solid capital letters on the first page thereof: "YOU ARE HEREBY REMINDED THAT YOUR FAILURE TO PROVIDE NOTIFICATION OF APPROVAL OR DISAPPROVAL OR REASONABLY REQUEST ADDITIONAL INFORMATION NOT LATER THAN THIRTY (30) DAYS AFTER YOUR RECEIPT OF THIS REQUEST SHALL BE DEEMED, PURSUANT TO SECTION

8 OF THE SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT, TO CONSTITUTE YOUR APPROVAL THEREOF."

**8. RIGHT OF FIRST REFUSAL.** Any right of first offer or right of first refusal in favor of Tenant under the Lease, if any, shall not apply to Lender through a foreclosure, deed-in-lieu of foreclosure or any other enforcement action under the Security Instrument; provided, however, such right of first refusal shall apply to subsequent purchasers of the Leased Premises.

**9. OPTION TO PURCHASE.** Any option to purchase the Property in favor of Tenant under the Lease, if any, is by this Agreement expressly made subject and subordinate to the Security Instrument. Unless Tenant assumes the Loan pursuant to the provisions of the Security Instrument and the other Loan Documents (as defined in the Security Instrument), all proceeds from the sale of the Property to Tenant under the terms of the Lease shall be paid first to Lender until all obligations of Borrower under the Loan Documents have been satisfied. Lender shall not be required to release the Security Instrument as a lien upon the Property unless and until all obligations of Borrower under the Loan Documents have been paid in full.

**10. NON-MERGER.** In the event that the interests of Borrower and Tenant shall, at any time, vest in any one person or entity, it is agreed that insofar as Lender is concerned, ownership of the fee title to the Property and the Tenant's leasehold estate created by the Lease shall not merge, but shall remain separate and distinct notwithstanding the union of such estates in Borrower, Tenant, or any third party by reason of purchase or otherwise.

**11. NOTICES.** All notices under this Agreement shall be properly given (a) upon delivery, if delivered in person or by facsimile transmission with receipt acknowledged by the recipient, (ii) one (1) Business Day after deposit for overnight delivery with any reputable overnight courier service, or (iii) three (3) Business Days after deposit in any U.S. Postal Service mail depository and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to Tenant, Lender, or Borrower, as the case may be, at the addresses below or addressed as such party may from time to time designate by written notice to the other parties.

To Tenant:

IDEA Florida, Inc.  
4651 Salisbury Road, Suite 418  
Jacksonville, FL 32256  
Attention: Chief Financial Officer

To Lender:

Adam Emerson  
Charter School Director  
State of Florida, Department of Education, its Successors and/or Assigns  
Turlington Building  
325 West Gaines Street  
Tallahassee, FL 32399

To Borrower:

IPS Enterprises, Inc.

9555 W. Sam Houston Parkway South, Suite 200  
Houston, TX 77099  
Attention: Chief Executive Officer

Either party by written notice to the other may designate additional or different addresses for subsequent notices or communications. For purposes of this Subsection, "**Business Day**" shall mean a day other than Saturday or Sunday and on which commercial banks are not authorized or required by law to close in the state where the Property is located.

**12. AUTHORITY.** The persons executing this Agreement on behalf of Tenant, Lender and Borrower each represent that he or she is authorized to execute such instruments on behalf of Tenant, Lender and Borrower, respectively.

**13. ATTORNEYS FEES.** If any action is commenced to enforce any provision of this Agreement or in connection with its meaning, the prevailing party in such action shall be awarded, in addition to any other relief it may obtain, its reasonable costs and expenses, including reasonable attorney's fees and expenses.

**14. MISCELLANEOUS.** This Agreement contains the entire agreement between the parties concerning the matters addressed herein. The parties may amend this Agreement only in writing. This Agreement benefits and binds the successors and assigns of each party and shall run with the land. This Agreement shall be governed in accordance with the laws of the state in which the Property is located and applicable laws of the United States of America. This Agreement may be executed in counterparts, and each counterpart shall be effective as an original when a counterpart has been signed by all parties.

[NO FURTHER TEXT ON THIS PAGE]



WITNESS WHEREOF, this Agreement has been executed by the parties effective as of the day and year first above written.

Signed and delivered  
in the presence of:

TENANT:

IDEA FLORIDA, INC., a Florida nonprofit  
corporation

\_\_\_\_\_  
Print Name:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Print Name:

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022,  
by \_\_\_\_\_, as \_\_\_\_\_ of said entity.  
He/She is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

\_\_\_\_\_  
Name: \_\_\_\_\_

Notary Public, State of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

[NO FURTHER TEXT ON THIS PAGE]

LENDER:

FLORIDA DEPARTMENT OF EDUCATION

---

Print Name:

By: Building Hope Finance, Loan  
Administrator and authorized signatory  
on behalf of the Florida Department of  
Education

Print Name:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of Building Hope Finance, Loan Administrator and authorized signatory on behalf of the Florida Department of Education, on behalf of such entity. He is personally known to me or produced as identification.

[NOTARIAL SEAL]

Name: \_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

[NO FURTHER TEXT ON THIS PAGE]

Signed and delivered  
in the presence of:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

BORROWER:

IPS ENTERPRISES, INC., a Texas nonprofit  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022,  
by \_\_\_\_\_, as \_\_\_\_\_ of said entity.  
He/She is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

[NO FURTHER TEXT ON THIS PAGE]

**EXHIBIT "A"**

**(DESCRIPTION OF PROPERTY)**

[TO BE INSERTED]

EXHIBIT "A"

THIS INSTRUMENT PREPARED BY AND  
AFTER RECORDING RETURN TO:

Kutak Rock LLP  
1650 Farnam Street  
Omaha, Nebraska 68102  
Attn: B. Hans Ipson, Esq.

## SECOND LIEN MORTGAGE AND SECURITY AGREEMENT

(With Assignment of Rents and Leases)

THE STATE OF FLORIDA       §  
  §  
COUNTY OF HILLSBOROUGH   §

This instrument (this "Mortgage") is a mortgage from:

Mortgagor Name(s):               IPS ENTERPRISES, INC., a Texas nonprofit corporation

Address:                               2115 W. Pike Blvd., Weslaco, Texas 78596

(called "Mortgagor," "Debtor" and "Assignor," whether one or more) to:

Mortgagee Name:                   FLORIDA DEPARTMENT OF EDUCATION

Address:                               Turlington Building, 325 West Gaines Street, Tallahassee,  
Florida 32399

(called "Mortgagee," "Secured Party" and "Assignee"), a security agreement between Debtor and Secured Party and an assignment of leases and rents from Assignor to Assignee.

Prior Lien:                               That certain Mortgage, dated on or about the date hereof, executed by Mortgagor for the benefit of CLI CAPITAL, a Texas real estate investment trust (the "First Lienholder"), recorded in Book [\_\_\_\_], Page [\_\_\_\_] of the Official Records of Hillsborough County, Florida, securing the repayment of a certain Real Estate Lien Note, dated on or about the date hereof, in the original principal amount of \$[18,000,000].

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Loan Agreement (as defined below).

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#### EXHIBITS:

Exhibit A – Real Property Description  
Exhibit B – Subject Leases  
Exhibit C – Leased Property Description  
Exhibit D – Permitted Encumbrances



## ARTICLE 1

### IDENTIFICATION OF THE COLLATERAL AND ITS CONVEYANCE TO MORTGAGEE

Section 1.01 Mortgagor's Conveyance of the Collateral to Mortgagee to Secure the Debt. To secure payment of principal, lawful interest and other elements of the Debt described and defined in Article 2, in consideration of the uses and trusts (the "Trust") established and continued by this Mortgage and in consideration of \$10 and other good and valuable consideration paid before delivery of this Mortgage by Mortgagee to Mortgagor, who hereby acknowledges its receipt and that it is reasonably equivalent value for this Mortgage and all other security and rights given by Mortgagor, Mortgagor hereby grants, sells, conveys, transfers, assigns, sets over, confirms and delivers unto Mortgagee and to his successors, assignees or substitutes in the Trust, the following property (collectively, the "Collateral"):

(a) Fee Property. All of the real estate and premises described or referred to on Exhibit A, together with (i) all of Mortgagor's estate, right, title and interest in and to all easements and rights of way for utilities, ingress or egress to or from said property and (ii) all interests of Mortgagor in and to all streets, rights-of-way, alleys or strips of land adjoining said property (collectively, the "Fee Property").

(b) Leased Property. All of Mortgagor's right, title and interest in and to the leases described in Exhibit B (collectively, the "Subject Leases") covering and encumbering those certain parcels of real estate and premises described on Exhibit C together with (i) all of Mortgagor's estate, right, title and interest in and to all easements and rights of way for utilities, ingress or egress to or from said property and (ii) all interest of Mortgagor in and to all streets, rights of way, alleys or strips of land adjoining said property (the "Leased Property", together with the Fee Property, the "Real Property").

(c) Buildings and Improvements. All existing and all future buildings on the Real Property and other improvements to it, all of which Mortgagor and Mortgagee hereby irrevocably declare to be real estate and part of the Real Property, including all water, sewage and drainage facilities, wells, treatment plants, supply, collection and distribution systems, paving, landscaping and other improvements (collectively, the "Improvements").

(d) Fixtures, Equipment and Supplies. All fixtures, equipment and supplies (the "Fixtures and Equipment") now or hereafter attached to, used, intended or acquired for use for, or in connection with, the construction, maintenance, operation or repair of the Real Property or Improvements, or for the present or future replacement or replenishment of used portions of it, and all related parts, filters and supplies, including, but not limited to, all heating, lighting, cooling, ventilating, air conditioning, environment control, refrigeration, plumbing, incinerating, water heating, cooking, pollution control, gas, electric, solar, nuclear, computing, monitoring, measuring, controlling, distributing and other equipment and fixtures, and all renewals and replacements of them, all substitutions for them and all additions and accessions to them, all of which Mortgagor and Mortgagee hereby also irrevocably declare to be real estate and part of the Real Property.

(e) Leases. All Leases (as such term is defined in Section 9.01 below).

(f) Utilities. All wastewater, fresh water and other utilities capacity and facilities (the “Utilities Capacity”) available or allocable to the Real Property and Improvements or dedicated to or reserved for them pursuant to any system, program, contract or other arrangement with any public or private utility, and all related or incidental licenses, rights and interests, whether considered to be real, personal or mixed property, including the right and authority to transfer or relinquish any or all such rights and the right to any credit, refund, reimbursement or rebate for utilities facilities construction or installation or for any reservation fee, standby fee or capital recovery charge promised, provided or paid for by Mortgagor or any of Mortgagor’s predecessors or Affiliates (hereinafter defined), to the full extent now allocated or allocable to the Real Property or Improvements, plus all additional Utilities Capacity, if any, not dedicated or reserved to the Real Property or Improvements but which is now or hereafter owned or controlled by Mortgagor or by anyone (an “Affiliate,” whether a natural person or an entity) who directly or through one or more intermediaries controls, is controlled by or is under common control with Mortgagor, to the full extent that such additional Utilities Capacity is necessary to allow development, marketing and use of the Real Property or Improvements for their highest and best use.

(g) After-acquired Property. All estate, right, title and interest acquired by Mortgagor in or to the Real Property, Improvements, Fixtures and Equipment, Leases and Utilities Capacity after execution of this Mortgage.

(h) Appurtenances. Any and all rights and appurtenances (the “Appurtenances”) belonging, incident or appertaining to the Real Property, Improvements, Fixtures and Equipment, Leases or Utilities Capacity or any part of them.

(i) Oil and Gas. All existing and future minerals, oil, gas and other hydrocarbon substances in, upon, under or through the Real Property, if any.

(j) Reversions and Remainders. Any and all rights and estates in reversion or remainder to the Real Property, Improvements, Fixtures and Equipment, Leases, Utilities Capacity or Appurtenances or any part of them.

(k) Contractual Rights. All contracts (including contracts for the sale or exchange of all or any portion of the Real Property or the Improvements), franchises, licenses and permits whether executed, granted or issued by a private person or entity or a governmental or quasi-governmental agency, which are directly or indirectly related to or connected with the development or sale of the Real Property or the Improvements, whether now or at any time hereafter existing, and all amendments and supplements thereto and renewals and extensions thereof at any time made, and all rebates, refunds, escrow accounts and funds, or deposits and all other sums due or to become due under and pursuant thereto and all powers, privileges, options and Mortgagor’s other benefits thereunder.

(l) Other Estates and Interests. All other estates, easements, interests, licenses, rights, titles, powers or privileges of every kind and character which Mortgagor now has, or at any time hereafter acquires, in and to any of the foregoing, including the proceeds from condemnation, or threatened condemnation, and the proceeds of any and all insurance covering any part of the foregoing; all proceeds of any of the items described in this Section 1.01; and all related parts, accessions and accessories to any of the foregoing and all replacements or substitutions therefor,

as well as all other Improvements, Fixtures and Equipment, Leases, Utilities Capacity and Appurtenances now or hereafter placed thereon or accruing thereto.

Section 1.02 Habendum and Title Warranty. TO HAVE AND TO HOLD the Collateral, together with every right, privilege, hereditament and appurtenance belonging or appertaining to it, unto Mortgagee, its successors or substitutes and its assigns, forever. Mortgagor represents that Mortgagor is the lawful owner of the Collateral with good right and authority to mortgage and convey it, and that the Collateral is free and clear of all liens, claims and encumbrances except only those expressly referred to or described in Exhibit D (the “Permitted Encumbrances”). Mortgagor hereby binds Mortgagor and Mortgagor’s successors and assigns to forever WARRANT and DEFEND the Collateral and every part of it unto Mortgagee, his successors or substitutes in the Trust, and his or their assigns, against the claims and demands of every person whomsoever lawfully claiming or to claim it or any part of it (such warranty to supersede any provision contained in this Mortgage limiting the liability of Mortgagor), subject to the Permitted Encumbrances. Other than as part of the Permitted Encumbrances, Mortgagor has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Collateral granted hereunder that ranks on a parity with or prior to the lien granted hereunder that will remain outstanding on the date of this Mortgage (the “Closing Date”). Mortgagor has not described such Collateral in a UCC financing statement that will remain effective on the Closing Date. Mortgagor will not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Collateral described hereunder that ranks prior to, on parity with, or subordinate to the lien granted hereunder, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted by the Loan Agreement and the Loan Documents (as defined in Section 2.01 below). The lien of this Mortgage on the real property and fixtures described herein may not be avoided by any bona fide purchaser acquiring such property for value after the date hereof. The security interest granted hereunder is and shall be prior to any judicial lien hereafter imposed on such collateral to enforce a judgment against Mortgagor on a simple contract.

## ARTICLE 2

### THE DEBT SECURED

Section 2.01 Conveyance to Secure Designated Obligations. This conveyance to Mortgagee is to secure all of the following present and future debt and obligations, subject to the Loan Agreement:

(a) Note. All indebtedness now or hereafter evidenced and to be evidenced by (i) that certain Note, dated on or about the date hereof, made by Mortgagor, as maker, in favor of Mortgagee; and (ii) any and all past, concurrent or future modifications, extensions, renewals, rearrangements, replacements and increases of such Note (the “Note”). The Note, in the original principal amount of [Eight Million Six Hundred Seventy-Three Thousand Five Hundred Thirty-Five and 00/100 Dollars (\$8,673,535)], has a maturity date of [\_\_\_\_\_], 2029 (the “Maturity Date”).

(b) Loan Agreement. All obligations and indebtedness of Mortgagor to Mortgagee now or hereafter created or incurred under that certain Loan Agreement, dated on or about the date hereof, by and between Mortgagor and Mortgagee (the “Loan Agreement”).

(c) Other Specified Obligations. All other obligations, if any, described or referred to in any other place in this Mortgage.

(d) Advances and Other Obligations Pursuant to this Mortgage’s Provisions. Any and all sums and the interest which accrues on them as provided in this Mortgage which Mortgagee may advance or which Mortgagor may owe Mortgagee pursuant to this Mortgage on account of Mortgagor’s failure to keep, observe or perform any of Mortgagor’s covenants under this Mortgage.

(e) Obligations under Related Loan Documents. All present and future debts and obligations under or pursuant to (1) any papers now or in the future governing, evidencing, guaranteeing or securing or otherwise relating to payment of all or any part of the debt evidenced by the Note, or (2) all supplements, amendments, restatements, renewals, extensions, rearrangements, increases, expansions or replacements of them (collectively, with the Note, this Mortgage and the Loan Agreement, the “Loan Documents”).

Section 2.02 Debt Defined. The term “Debt” means the amount evidenced by the Note and all other debt and obligations described or referred to in Section 2.01. The Debt includes interest and other obligations accruing or arising after (a) commencement of any case under any bankruptcy or similar laws by or against Mortgagor or any other person or entity now or hereafter primarily or secondarily obligated to pay all or any part of the Debt (Mortgagor and each such other person or entity being herein called an “Obligor”) or (b) the obligations of any Obligor shall cease to exist by operation of law or for any other reason. The Debt also includes all reasonable attorneys’ fees and any other expenses incurred by Mortgagee in enforcing any of the Loan Documents. All liens, assignments and security interests created, represented or continued by this Mortgage, both present and future, shall be first, prior and superior to any lien, assignment, security interest, charge, reservation of title or other interest heretofore, concurrently or subsequently suffered or granted by Mortgagor or Mortgagor’s successors or assigns, except only statutory super priority liens for nondelinquent taxes and those other liens (if any) expressly identified and stated in this Mortgage to be senior.

## ARTICLE 3

### SECURITY AGREEMENT

Section 3.01 Grant of Security Interest. Without limiting any of the provisions of this Mortgage, Mortgagor, as debtor, and referred to in this Article as “Debtor” (whether one or more) hereby grants to Mortgagee, as secured party, and referred to in this Article as “Secured Party” (whether one or more) in order to secure the Debt, a security interest in all of Debtor’s remedies, powers, privileges, rights, titles and interests (including all of Debtor’s power, if any, to pass greater title than it has itself) of every kind and character now owned or hereafter acquired, created or arising in and to (i) the Collateral (including both that now and that hereafter existing) to the full extent that the Collateral may be subject to the Uniform Commercial Code of the state or states

where the Collateral is situated (the “UCC”), (ii) all equipment, accounts, general intangibles, fixtures, inventory, chattel paper, notes, documents and other personal property used, intended or acquired for use, on, or in connection with the use or operation of, the Collateral, or otherwise related to the Collateral, and all products and proceeds of it, including all security deposits under Leases now or at any time hereafter held by or for Debtor’s benefit, all monetary deposits that Debtor has been required to give to any public or private utility with respect to utility services furnished to the Collateral, all funds, accounts, instruments, accounts receivable, documents, trademarks, trade names and symbols used in connection therewith, and notes or chattel paper arising from or by virtue of any transactions related to the Collateral, all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Collateral, and all guaranties and warranties obtained with respect to all improvements, equipment, furniture, furnishings, personal property and components of any thereof located on or installed at the Real Property, and (iii) the following described property:

(a) Contracts. All contracts now or hereafter entered into by and between Debtor and any original contractor or between Debtor and any other party, as well as all right, title and interest of Debtor under any subcontracts, providing for the construction (original, restorative or otherwise) of any improvements to or on any of the Collateral or the furnishing of any materials, supplies, equipment or labor in connection with any such construction.

(b) Plans. All of the plans, specifications and drawings (including plot plans, foundation plans, floor plans, elevations, framing plans, cross-sections of walls, mechanical plans, electrical plans and architectural and engineering plans and architectural and engineering studies and analyses) heretofore or hereafter prepared by any architect, engineer or other design professional, in respect of any of the Collateral.

(c) Design, etc. Agreements. All agreements now or hereafter entered into with any person or entity in respect of architectural, engineering, design, management, development or consulting services rendered or to be rendered in respect of planning, design, inspection or supervision of the construction, management or development of any of the Collateral.

(d) Lender or Investor Commitments. Any commitment issued by any lender or investor other than Mortgagee to finance or invest in any of the Collateral.

(e) Bonds. Any completion bond, performance bond and labor and material payment bond and any other bond relating to the Collateral or to any contract providing for construction of improvements to any of the Collateral;

together with all substitutions for and proceeds of any of the foregoing received upon the rental, sale, exchange, transfer, collection or other disposition or substitution of it and together with all general intangibles now owned by Debtor or existing or hereafter acquired, created or arising (whether or not related to any of the foregoing property). All the property described or referred to in Section 1.01 and this Section 3.01 is collectively referred to as the “Collateral.” The Collateral is also referred to as the “Property.” In the event of any express inconsistency between the provisions of this Section and Article 9 regarding any Lease, the provisions of Article 9, to the extent valid, enforceable and in effect, shall govern and control.

Section 3.02 Debtor's Covenants Concerning Personalty Subject to the UCC. Debtor covenants and agrees with Secured Party that in addition to and cumulative of any other remedies granted in this Mortgage to Secured Party or Mortgagee, upon or at any time after the occurrence of an Event of Default (defined in Article 6):

(a) Secured Party is authorized, in any legal manner and without breach of the peace, to take possession of the Collateral (Debtor hereby WAIVING all claims for damages arising from or connected with any such taking) and of all books, records and accounts relating thereto and to exercise without interference from Debtor any and all rights which Debtor has with respect to the management, possession, operation, protection or preservation of the Collateral, including the right to sell or rent the same for the account of Debtor and to deduct from such sale proceeds or such rents all costs, expenses and liabilities of every character incurred by Secured Party in collecting such sale proceeds or such rents and in managing, operating, maintaining, protecting or preserving the Collateral and to apply the remainder of such sales proceeds or such rents on the Debt in such manner as Secured Party may elect. Before any sale, Secured Party may, at its option, complete the processing of any of the Collateral and/or repair or recondition the same to such extent as Secured Party may deem advisable and any sums expended therefor by Secured Party shall be reimbursed by Debtor. Secured Party may take possession of Debtor's premises to complete such processing, repairing and/or reconditioning, using the facilities and other property of Debtor to do so, to store any Collateral and to conduct any sale as provided for herein, all without compensation to Debtor. All costs, expenses, and liabilities incurred by Secured Party in collecting such sales proceeds or such rents, or in managing, operating, maintaining, protecting or preserving such properties, or in processing, repairing and/or reconditioning the Collateral if not paid out of such sales proceeds or such rents as hereinabove provided, shall constitute a demand obligation owing by Debtor and shall bear interest from the date of expenditure until paid at the Past Due Rate (as defined in Article 7 below), all of which shall constitute a portion of the Debt. If necessary to obtain the possession provided for above, Secured Party may invoke any and all legal remedies to dispossess Debtor, including specifically one or more actions for forcible entry and detainer. In connection with any action taken by Secured Party pursuant to this Section, Secured Party shall not be liable for any loss sustained by Debtor resulting from any failure to sell or let the Collateral, or any part thereof, or from other act or omission of Secured Party with respect to the Collateral unless such loss is caused by the willful misconduct and bad faith of Secured Party, nor shall Secured Party be obligated to perform or discharge any obligation, duty, or liability under any sale or lease agreement covering the Collateral or any part thereof or under or by reason of this instrument or the exercise of rights or remedies hereunder.

(b) Secured Party may, without notice except as hereinafter provided, sell the Collateral or any part thereof at public or private sale (with or without appraisal or having the Collateral at the place of sale) for cash, upon credit, or for future delivery, and at such price or prices as Secured Party may deem best, and Secured Party may be the purchaser of any and all of the Collateral so sold and may apply upon the purchase price therefor any of the Debt and thereafter hold the same absolutely free from any right or claim of whatsoever kind. Secured Party is authorized at any such sale, if Secured Party deems it advisable or is required by applicable law so to do, to disclaim and to refuse to give any warranty, and to impose such other limitations or conditions in connection with any such sale as Secured Party deems necessary or advisable in order to comply with applicable law. Upon any such sale Secured Party shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold

the property sold absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, stay or appraisal which Debtor has or may have under any rule of law or statute now existing or hereafter adopted. To the extent notice is required by applicable law, Secured Party shall give Debtor written notice at the address set forth herein (which shall satisfy any requirement of notice or reasonable notice in any applicable statute) of Secured Party's intention to make any such public or private sale. Such notice (if any is required by applicable law) shall be personally delivered or mailed, postage prepaid, at least ten (10) calendar days before the date fixed for a public sale, or at least ten (10) calendar days before the date after which the private sale or other disposition is to be made, unless the Collateral is of a type customarily sold on a recognized market, is perishable or threatens to decline speedily in value. Such notice (if any is required by applicable law), in case of public sale, shall state the time and place fixed for such sale or, in case of private sale or other disposition other than a public sale, the time after which the private sale or other such disposition is to be made. Any public sale shall be held at such time or times, within the ordinary business hours and at such place or places, as Secured Party may fix in the notice of such sale. At any sale the Collateral may be sold in one lot as an entirety or in separate parcels as Secured Party may determine. Secured Party shall not be obligated to make any sale pursuant to any such notice. Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at any time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Secured Party until the selling price is paid by the purchaser thereof, but Secured Party shall incur no liability in case of the failure of such purchaser to take up and pay for the Collateral so sold, and in case of any such failure, such Collateral may again be sold upon like notice. Each and every method of disposition described in this Section shall constitute disposition in a commercially reasonable manner. Each Obligor, to the extent applicable, shall remain liable for any deficiency.

(c) Secured Party shall have all the rights of a secured party after default under the Uniform Commercial Code of Florida and in conjunction with, in addition to or in substitution for those rights and remedies:

(i) Secured Party may require Debtor to assemble the Collateral and make it available at a place Secured Party designates that is mutually convenient to allow Secured Party to take possession or dispose of the Collateral; and

(ii) it shall not be necessary that Secured Party take possession of the Collateral or any part thereof before the time that any sale pursuant to the provisions of this Article is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; and

(iii) before application of proceeds of disposition of the Collateral to the Debt, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses incurred by Secured Party, each Obligor, to the extent applicable, to remain liable for any deficiency; and

(iv) the sale by Secured Party of less than the whole of the Collateral shall not exhaust the rights of Secured Party hereunder, and Secured Party is specifically empowered to make successive sale or sales hereunder until the whole of the Collateral shall be sold; and, if the proceeds of such sale of less than the whole of the Collateral shall be less than the aggregate of the indebtedness secured hereby, this Mortgage and the security interest created hereby shall remain in full force and effect as to the unsold portion of the Collateral just as though no sale had been made; and

(v) in the event any sale hereunder is not completed or is defective in the opinion of Secured Party, such sale shall not exhaust the rights of Secured Party hereunder and Secured Party shall have the right to cause a subsequent sale or sales to be made hereunder; and

(vi) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of any indebtedness or as to the occurrence of any default, or as to Secured Party having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and the Collateral to be sold having been duly given, as to any other act or thing having been duly done by Secured Party, shall be taken as prima facie evidence of the truth of the facts so stated and recited; and

(vii) Secured Party may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Secured Party, including the sending of notices and the conduct of sale, but in the name and on behalf of Secured Party; and

(viii) demand of performance, advertisement and presence of property at sale are hereby WAIVED and Secured Party is hereby authorized to sell hereunder any evidence of debt it may hold as security for the secured indebtedness. All demands and presentments of any kind or nature are expressly WAIVED by Debtor. Debtor WAIVES the right to require Secured Party to pursue any other remedy for the benefit of Debtor and agrees that Secured Party may proceed against any Obligor for the amount of the Debt owed to Secured Party without taking any action against any other Obligor or any other person or entity and without selling or otherwise proceeding against or applying any of the Collateral in Secured Party's possession.

Section 3.03 UCC Rights are not Exclusive. Should Secured Party elect to exercise its rights under the UCC as to part of the personal property or fixtures described in this Mortgage, such election shall not preclude Secured Party or Mortgagee from exercising any or all of the rights and remedies granted by the other Articles of this Mortgage as to the remaining personal property or fixtures.

Section 3.04 Mortgage Is Also Financing Statement. Secured Party is hereby authorized by Debtor to file, at Secured Party's election, at any time after delivery of this Mortgage, an original of this Mortgage as a financing statement.



Section 3.05 No Other Financing Statements on the Collateral. So long as any amount remains unpaid on the Debt, Debtor will not authorize and there will not be filed in any public office any financing statements affecting the Collateral other than financing statements in favor of Secured Party under this Mortgage and such protective filings related to the Permitted Encumbrances as are permitted to be filed pursuant to the UCC, unless prior written specific consent and approval of Secured Party shall have been first obtained.

Section 3.06 Secured Party May File Financing and Continuation Statements. Secured Party is authorized to file this Mortgage, a financing statement or statements and one or more continuation statements in any jurisdiction where Secured Party deems it necessary, and at Secured Party's request, Debtor will join Secured Party in authorizing one or more financing statements, continuation statements or both pursuant to the UCC, in form satisfactory to Secured Party, and will pay the costs of filing or recording them, in all public offices at any time and from time to time whenever filing or recording of this Mortgage, any financing statement or any continuation statement is deemed by Secured Party or its counsel to be necessary or desirable.

Section 3.07 Fixtures. Certain of the Collateral is or will become "fixtures" (as such term is defined in the UCC) on the Real Property, and when this Mortgage is filed for record in the real estate records of the county where such fixtures are situated, it shall also automatically operate as a financing statement upon such of the Collateral which is or may become fixtures.

Section 3.08 Assignment of Non-UCC Personal Property. To the extent that any of the Collateral is not subject to the UCC of the state or states where it is situated, Debtor hereby assigns to Secured Party all of Debtor's right, title and interest in the Collateral to secure the Debt. Release of the lien of this Mortgage shall automatically terminate this assignment.

Section 3.09 Debtor's Warranties Concerning Collateral. Debtor warrants and represents to Secured Party that Debtor is the legal and equitable owner and holder of the Collateral free of any adverse claim and free of any security interest or encumbrance except only for the security interest granted hereby in the Collateral and those other security interests (if any) expressly referred to or described in this Mortgage (such warranty to supersede any provision contained in this Mortgage limiting the liability of Mortgagor). Debtor agrees to defend the Collateral and its proceeds against all claims and demands of any person at any time claiming the Collateral, its proceeds or any interest in either, subject to the Permitted Encumbrances. Debtor also warrants and represents that Debtor has not heretofore authorized the filing of any financing statement directly or indirectly affecting the Collateral or any part of it which has not been completely terminated of record, and no such financing statement is now on file in any public office except only those statements (if any) true and correct copies of which Debtor has actually delivered to Secured Party.

Section 3.10 Certain Powers of Secured Party. Debtor hereby authorizes and directs each account debtor and each other person or entity obligated to make payment in respect of any of the Collateral (each a "Collateral Obligor") to pay over to Secured Party, its officers, agents or assigns, upon demand by Secured Party, all or any part of the Collateral without making any inquiries as to the status or balance of the secured indebtedness and without any notice to or further consent of Debtor. Debtor hereby agrees to indemnify each Collateral Obligor and hold each Collateral Obligor harmless from all expenses and losses which it may incur or suffer as a result of any

payment it makes to Secured Party pursuant to this paragraph. To facilitate the rights of Secured Party hereunder, Debtor hereby authorizes Secured Party, its officers, employees, agents or assigns:

(a) to notify Collateral Obligors of Secured Party's security interest in the Collateral and to collect all or any part of the Collateral without further notice to or further consent by Debtor, and Debtor hereby constitutes and appoints Secured Party the true and lawful attorney of Debtor (such agency being coupled with an interest), irrevocably, with power of substitution, in the name of Debtor or in its own name or otherwise, to take any of the actions described in the following clauses (b), (c), (d), (e), (f) and (g);

(b) to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all amounts that may be or become due or payable under the Collateral and to settle and/or adjust all disputes and/or claims directly with any Collateral Obligor and to compromise, extend the time for payment, arrange for payment in installments, otherwise modify the terms of, or release, any of the Collateral, on such terms and conditions as Secured Party may determine (without thereby incurring responsibility to or discharging or otherwise affecting the liability of Debtor to Secured Party under this Mortgage or otherwise);

(c) to direct delivery of, receive, open and dispose of all mail addressed to Debtor and to execute, sign, endorse, transfer and deliver (in the name of Debtor or in its own name or otherwise) any and all receipts or other orders for the payment of money drawn on the Collateral and all notes, acceptances, commercial paper, drafts, checks, money orders and other instruments given in payment or in part payment thereof and all invoices, freight and express bills and bills of lading, storage receipts, warehouse receipts and other instruments and documents in respect of any of the Collateral and any other documents necessary to evidence, perfect and realize upon the security interests and obligations of this Mortgage;

(d) in its discretion to file any claim or take any other action or proceeding which Secured Party may deem necessary or appropriate to protect and preserve the rights, titles and interests of Secured Party hereunder;

(e) to sign the name of Debtor to drafts against Collateral Obligors, assignments or verifications of any of the Collateral and notices to Collateral Obligors;

(f) to station one or more representatives of Secured Party on Debtor's premises for the purpose of exercising any rights, benefits or privileges available to Secured Party hereunder or under any of the Loan Documents or at law or in equity, including receiving collections and taking possession of books and records relating to the Collateral; and

(g) to cause title to any or all of the Collateral to be transferred into the name of Secured Party or any nominee or nominees of Secured Party.

The powers conferred on Secured Party pursuant to this Section are conferred solely to protect Secured Party's interest in the Collateral and shall not impose any duty or obligation on Secured Party to perform any of the powers herein conferred. No exercise of any of the rights provided for in this Section shall constitute a retention of collateral in full or partial satisfaction of the indebtedness as provided for in the Uniform Commercial Code of Florida.

Section 3.11 Standard of Care. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in its possession if it takes such action for that purpose as Debtor requests in writing, but failure of Secured Party to comply with such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of Secured Party to take any action not so requested by Debtor shall be deemed a failure to exercise reasonable care in the custody or preservation of any such Collateral.

Section 3.12 Change Terms, Release Collateral. Secured Party may extend the time of payment, arrange for payment in installments, otherwise modify the terms of, or release, any of the Collateral, without thereby incurring responsibility to Debtor or discharging or otherwise affecting any liability of Debtor. Secured Party shall not be required to take steps necessary to preserve any rights against prior parties to any of the Collateral.

## ARTICLE 4

### MORTGAGOR'S COVENANTS

Section 4.01 Covenants for the Benefit of Mortgagee. Subject to the terms and conditions of the Loan Agreement, to better secure the Debt, Mortgagor covenants and agrees with Mortgagee and its substitutes and successors in the Trust, for the use and benefit of Mortgagee and with the intent that Mortgagee may enforce these covenants, that:

(a) Liens, etc. and Remedies Cumulative. No lien, assignment, security interest, guaranty, right or remedy in favor of Mortgagee granted in, secured by or ancillary to this Mortgage shall be considered as exclusive, but each shall be cumulative of all others which Mortgagee may now or hereafter have.

(b) Mortgagor Waives Marshalling of Assets and Sale in Inverse Order of Alienation Rights. Mortgagor hereby irrevocably WAIVES all rights of marshalling of assets or sale in inverse order of alienation in the event of foreclosure of this or any other security.

(c) Mortgagor Will Correct Title Defects. Subject to the Permitted Encumbrances, if at any future time any defect should be found to exist in the title to any of the Property, Mortgagor agrees to promptly commence and thereafter diligently proceed to cure the defect and defend the title. If any lien or encumbrance junior, equal or superior in rank or priority to the lien of this Mortgage should be discovered or arise at any time in the future then, unless Mortgagee is the only holder of it, or Mortgagee has given specific prior written consent to it, Mortgagor agrees to promptly discharge and remove it from the Collateral. Mortgagor will notify Mortgagee in writing within five (5) days of the time that Mortgagor becomes aware of the filing of any mortgage, lien, security interest, financing statement or other security device whatsoever against the Property.

(d) Mortgagee's Rights to Collect Insurance Proceeds. Mortgagor hereby assigns to Mortgagee the exclusive right to collect any and all monies that may become payable under any insurance policies covering any part of the Property, or any risk to or about the Property.

(e) Effects of Foreclosure on Insurance Policies and Post-foreclosure Event Claims. Foreclosure of this Mortgage shall automatically constitute foreclosure upon all policies of insurance insuring any part of or risk to the Property and all claims thereunder arising from post-

foreclosure events. The successful bidder or bidders for the Property at foreclosure, as their respective interests may appear, shall automatically accede to all of Mortgagor's rights in, under and to such policies and all post-foreclosure event claims, and such bidder(s) shall be named as insured(s) on request, whether or not the trustee's deed or bill of sale to any such successful bidder mentions insurance.

(f) Application of Insurance Proceeds Collected Before Foreclosure. Subject to the provisions of the Loan Agreement and the Loan Documents, unless an Event of Default has occurred and so long as Mortgagee is satisfied that the applicable proceeds (together with other funds deposited with Mortgagee by or on behalf of Mortgagor for the purpose of repair and restoration of the applicable damage or destruction) are sufficient to pay all costs of repair and restoration of the applicable damage or destruction, Mortgagee will hold all proceeds of insurance which was paid for by Mortgagor or by anyone other than Mortgagee or another holder of any of the Debt and which proceeds are actually received by Mortgagee before foreclosure (and such other funds deposited with Mortgagee) and will disburse the same as such repairs or restoration are made, upon such terms and conditions as Mortgagee may elect, and upon presentation of satisfactory evidence to Mortgagee that payment is being requested for permissible repair and restoration and without the imposition of any lien on the Property. Any insurance proceeds remaining if Mortgagor and Mortgagee do not agree to the terms of the advance of the funds for repair and restoration within thirty (30) days after the event producing such funds, or if an Event of Default occurs, or after completion of the repair and restoration shall be applied in payment of the Debt or, at the option of Mortgagee, shall be paid to Mortgagor or to such other person as is legally entitled to them.

(g) Application of Insurance Proceeds Collected After Foreclosure. Unless Mortgagee or Mortgagee's representative reserves at the foreclosure sale the right to collect any uncollected insurance proceeds recoverable for events occurring before foreclosure (in which event the successful bidder at the sale, if not Mortgagee, shall have no interest in such proceeds and Mortgagee shall apply them, if and when collected, to the Debt in such order and manner as Mortgagee shall then elect and remit any remaining balance to Mortgagor or to such other person or entity as is legally entitled to them), all proceeds of all such insurance which are not so reserved by Mortgagee at the foreclosure sale and are not actually received by Mortgagee until after foreclosure shall be the property of the successful bidder or bidders at foreclosure, as their interests may appear, and Mortgagor shall have no interest in them and shall receive no credit for them.

(h) Mortgagee Not Obligated to Require, Provide or Evaluate Insurance. Mortgagee shall have no duty to Mortgagor or anyone else to either require or provide any insurance or to determine the adequacy or disclose any inadequacy of any insurance.

(i) Mortgagee May Elect to Insure Only its Own Interests. If Mortgagee elects at any time or for any reason to purchase insurance relating to the Property, it shall have no obligation to cause Mortgagor or anyone else to be named as an insured, to cause Mortgagor's or anyone else's interests to be insured or protected or to inform Mortgagor or anyone else that his or its interests are uninsured or underinsured.

(j) Mortgagor Will Correct Defects, Provide Further Assurances and Papers. Upon Mortgagee's request, Mortgagor will promptly correct any defect which hereafter may be

discovered in the text, execution or acknowledgment of the Note, this Mortgage or any Loan Document or in the description of the Property, and will deliver such further assurances and execute such additional papers as in the opinion of Mortgagee or its legal counsel shall be necessary, proper or appropriate (1) to better convey and assign to Mortgagee all the Property intended or promised to be conveyed or assigned or (2) to properly evidence or give notice of the Debt or its intended or promised security.

(k) Mortgagor Will Pay Taxes and Impositions and Furnish Receipts. At Mortgagor's own cost and expense, Mortgagor agrees to pay and discharge all taxes, assessments, maintenance charges, permit fees, impact fees, development fees, capital recovery charges, utility reservation and standby fees and all other similar and dissimilar impositions of every kind and character ("Impositions") charged, levied, assessed or imposed against any interest in any of the Property, as they become payable and before they become delinquent. Mortgagor agrees to furnish due proof of such payment to Mortgagee promptly after payment and before delinquency.

(l) Mortgagor to Pay Monthly Tax and Insurance Deposits on Request. If and after Mortgagee requests it, Mortgagor agrees to pay the monthly tax and insurance premium deposits required by Article 8 and to provide Mortgagee any additional sums needed to pay the taxes and insurance premiums for the Property when due.

(m) Mortgagor Will Maintain Property and Won't Remove Improvements. Mortgagor agrees to keep, preserve and maintain all elements of the Property in a good state of repair and condition and to keep all equipment and stores of supplies needed for its proper and full operation on the Property, well stocked and in good operating condition. Mortgagor will not tear down, damage or attempt to remove, demolish or materially alter or enlarge any elements of the Property, or construct any new Improvements, without Mortgagee's prior written consent. Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien, assignments and security interests of this Mortgage, such Fixtures and Equipment as from time to time become worn out or obsolete, provided that either (a) simultaneously with or before such removal any such equipment shall be replaced with other equipment of a value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrance and from any reservation of title, and by such removal and replacement Mortgagor shall be deemed to have subjected such equipment to the lien, assignments and security interests of this Mortgage or (b) any net cash proceeds received from such disposition shall be paid over promptly to Mortgagee to be applied to the Debt in the order determined by Mortgagee in its sole discretion. Mortgagor shall not grant, join in or consent to any lien, security interest, easement, license, use or other charge or interest covering or affecting all or any part of the Property or initiate, join in and consent to the change in any private restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses which may be made of the Property or any part thereof without the prior written consent of Mortgagee.

(n) Mortgagor Will Protect Property from Mechanic's Liens. Mortgagor agrees to promptly pay all bills for labor and materials incurred in connection with the Property and to prevent the fixing of any lien against any part of the Property, even if it is inferior to this Mortgage, for any such bill which may be legally due and payable. Mortgagor agrees to furnish due proof of such payment to Mortgagee after payment and before delinquency.

(o) Mortgagee's Inspection and Discussion Rights. Mortgagor agrees to permit Mortgagee and its agents, representatives and employees at all reasonable times to go upon, examine, inspect and remain on the Collateral, to assist and cooperate, and require Mortgagor's employees, agents and contractors to cooperate, with Mortgagee and to furnish to Mortgagee on request all pertinent information concerning the physical and economic condition, development and operation of the Collateral. Mortgagee may discuss the Collateral directly with any of Mortgagor's officers and managers.

(p) Mortgagee May Grant Releases without Impairing Other Collateral or Rights. At all times, Mortgagee shall have the right to release any part of the Property or any other security from this Mortgage or any other security instrument or device without releasing any other part of the Property or any other security, without affecting Mortgagee's lien, assignment or security interest as to any property or rights not released and without affecting or impairing the liability of any maker, guarantor or surety on the Note or other obligation.

(q) Mortgagor Will Notify Mortgagee of Legal Proceedings and Defend Lien; Mortgagee May Act if Mortgagor Doesn't. Mortgagor will notify Mortgagee in writing promptly of the commencement of any legal proceedings affecting any part of the Property and will engage and pay legal counsel to answer and to defend and preserve Mortgagee's liens, rights and interests and their rank and priority. If Mortgagor fails or refuses to promptly begin or to diligently continue any such acts, then Mortgagee may elect to do so and may take such action in behalf of Mortgagor, in Mortgagor's name and at Mortgagor's expense.

(r) Vendor's Lien and Purchase Money Security Interest. Mortgagor agrees that to the full extent that any of the proceeds of the Note have been or are paid or applied towards the purchase of any real or personal property, it shall be conclusively presumed to have been done at Mortgagor's special instance and request, and Mortgagor hereby acknowledges and recognizes the existence of a vendor's lien and a purchase money security interest in favor of Mortgagee against such property, as security for the Note in addition to and cumulative of the lien, assignments and security interest of this Mortgage, in the same manner in the case of real property as if an express vendor's lien and the superior title had been reserved in the deed from the seller of such property and expressly therein assigned by the seller to Mortgagee. Foreclosure under this Mortgage shall also constitute foreclosure of said vendor's lien or purchase money security interest.

(s) Legal Compliance, Governmental Notices. Mortgagor will operate the Property and conduct its business in full compliance with all requirements of governmental and quasi-governmental authorities having jurisdiction over Mortgagor or the Property and will comply with and punctually perform all of the covenants, agreements and obligations imposed upon it or the Property. Mortgagor will furnish to Mortgagee copies of notices and reports received or sent by Mortgagor to or from each governmental and quasi-governmental authority within three (3) days of the receipt or giving thereof.

(t) Reserved.

(u) Notice of Condemnation and Other Proceedings. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, or any other proceedings arising out of injury or damage to the Property, or any

portion thereof, Mortgagor will notify Mortgagee in writing of the pendency of such proceedings. Mortgagee may participate in any such proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by it to permit such participation. Mortgagor shall, at its expense, diligently prosecute any such proceedings, and shall consult with Mortgagee, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings.

(v) Manager. Mortgagor will, or will cause its managers to, do and perform any and all acts and things relating to the management, upkeep and operation of the Property as are customarily performed by managing agents and owners of properties comparable to the Property, similarly situated, and shall otherwise operate the Property, or cause the Property to be operated, in a first-class efficient manner and in accordance with all legal requirements and the terms and conditions of this Mortgage and the other Loan Documents. No management agreement shall be executed with any manager unless the manager and management agreement are previously approved in writing by Mortgagee.

Section 4.02 Mortgagor Agrees to Pay or Reimburse Mortgagee's Expenses. To the extent not prohibited by applicable law, Mortgagor will pay all costs and expenses and reimburse Mortgagee for any and all expenditures of every character incurred or expended from time to time, regardless of whether an Event of Default shall have occurred, in connection with:

(a) the preparation, negotiation, documentation, closing, renewal, revision, modification, increase, review or restructuring of any loan or credit facility secured by this Mortgage, including legal, accounting, and inspection services and disbursements, or in connection with collecting or attempting to enforce or collect the Note or this Mortgage.

(b) Mortgagee's evaluating, monitoring, administering and protecting the Property.

(c) Mortgagee's creating, perfecting and realizing upon Mortgagee's security interest in and liens on the Property, and all costs and expenses relating to Mortgagee's exercising any of its rights and remedies under this Mortgage or any Loan Document or at law, including all appraisal fees, consulting fees, filing fees, taxes, brokerage fees and commissions, title review and abstract fees, litigation report fees, UCC search fees, other fees and expenses incident to title searches, reports and security interests, escrow fees, attorneys' fees, legal expenses, court costs, other fees and expenses incurred in connection with any complete or partial liquidation of the Property, and all fees and expenses for any professional services relating to the Property or any operations conducted in connection with it; provided, that no right or option granted by Mortgagor to Mortgagee or otherwise arising pursuant to any provision of this Mortgage, the Loan Agreement or any Loan Document shall be deemed to impose or admit a duty on Mortgagee to supervise, monitor or control any aspect of the character or condition of the Property or any operations conducted in connection with it for the benefit of Mortgagor or any person or entity other than Mortgagee. Mortgagor agrees to indemnify, defend (at trial and appellate levels and with attorneys, consultants and experts reasonably acceptable to Mortgagee) and hold Mortgagee, its shareholders, directors, officers, agents, attorneys, advisors, employees (collectively "Indemnified Parties") harmless from and against any and all loss, liability, including strict liability, obligation, damage, penalty, judgment, claim, deficiency, expense, action, suit, cost, proceedings, investigations, injuries, liens, citations, litigation, assessments, fines, fees, charges and disbursement of any kind or nature whatsoever (including without limitation, interest, penalties,

attorneys' fees, amounts paid in settlement, costs of remediation, engineers' fees, consultants' fees and experts' fees), imposed on, incurred by or asserted against the Indemnified Parties growing out of, resulting from or related to the Collateral, this Mortgage and any Loan Document or any transaction or event contemplated therein (except that such indemnity shall not be paid to any Indemnified Party to the extent that such loss, etc. directly results from the gross negligence or willful misconduct of that Indemnified Party). If any person or entity (including Mortgagor or any of its affiliates) ever alleges gross negligence or willful misconduct by an Indemnified Party, the full amount of indemnification provided for in this Section shall nonetheless be paid upon demand, subject to later adjustment or reimbursement at such time, if any, as a court of competent jurisdiction enters a final judgment as to the extent and effect of the alleged gross negligence or willful misconduct. Any amount to be paid under this Section by Mortgagor to Mortgagee shall be a demand obligation owing by Mortgagor to Mortgagee and shall bear interest from the date of expenditure until paid at the Past Due Rate.

**THE INDEMNIFICATION OF AN INDEMNIFIED PARTY PROVIDED IN THIS SECTION 4.02(c) SHALL REMAIN IN FULL FORCE AND EFFECT NOTWITHSTANDING THE FACT THAT ANY CLAIM FOR LIABILITIES DIRECTLY OR INDIRECTLY RESULTS FROM, ARISES OUT OF, OR RELATES TO, OR IS ASSERTED TO HAVE RESULTED FROM, ARISEN OUT OF, OR RELATE TO, THE SOLE OR CONTRIBUTORY NEGLIGENCE (BUT NOT GROSS NEGLIGENCE) OF ANY SUCH INDEMNIFIED PARTY.**

Section 4.03 Reserved

## ARTICLE 5

### MORTGAGOR'S REPRESENTATIONS AND WARRANTIES

To induce Mortgagee to extend financial accommodations, including credit under the Note, Mortgagor makes the warranties and representations set forth in this Article.

Section 5.01 Mortgagor Solvent. Mortgagor is now solvent, and no bankruptcy or insolvency proceedings are pending or contemplated by or, to Mortgagor's knowledge, against Mortgagor. Mortgagor's liabilities and obligations under this Mortgage and any other Loan Documents to which Mortgagor is a party do not and will not render Mortgagor insolvent, cause Mortgagor's liabilities to exceed Mortgagor's assets or leave Mortgagor with too little capital to properly conduct all of its business as now conducted or contemplated to be conducted.

Section 5.02 No False Representation. No representation or warranty contained in this Mortgage or any other Loan Document to which Mortgagor is a party and no statement contained in any certificate, schedule, list, financial statement or other papers furnished to Mortgagee by or on behalf of Mortgagor contains, or will contain, any untrue statement of material fact, or omits, or will omit, to state a material fact necessary to make the statements contained herein or therein not misleading.

Section 5.03 Title. Mortgagor has good and indefeasible fee title to the Property, free and clear of any lien or security interest except only for the Permitted Encumbrances and liens and



security interests which are either established or expressly permitted by this Mortgage, the Loan Agreement or the other Loan Documents. Except as otherwise expressly permitted by this Mortgage, the lien and security interest of this Mortgage will constitute valid and perfected second liens and security interests on the Property, subject to no other liens, security interests or charges whatsoever. The Property is free from damage caused by fire or other casualty.

Section 5.04 Regulation U. Except as disclosed to Mortgagee in writing prior to the date of this Mortgage, none of the proceeds of the Note or the other Debt will be used for the purpose of purchasing or carrying, directly or indirectly, any margin stock or for any other purpose which would make such credit a “purpose credit” within the meaning of Regulation U of the Board of Governors of the Federal Reserve System.

Section 5.05 ERISA. No event has occurred which could result in Mortgagor’s liability to the Pension Benefit Guaranty Corporation. Mortgagor has met all requirements with respect to funding of each plan (a “Plan”) maintained for any of Mortgagor’s employees subject to Title IV of the Employee Retirement Benefit Act of 1974, as amended, and related regulations (“ERISA”), if any exists. No event or condition has occurred that would permit any lien under ERISA to attach to any of the Property.

## ARTICLE 6

### DEFAULTS AND REMEDIES

Section 6.01 Release for Full Payment and Performance. Subject to the automatic reinstatement provisions of Section 10.17 below, this Mortgage shall terminate and be of no further force or effect (and shall be released on Mortgagor’s written request and at Mortgagor’s cost and expense) upon full payment of the Debt, complete performance of all of the obligations of Mortgagor under the Loan Agreement and the other Loan Documents and final termination of Mortgagee’s obligations, if any, to make any further advances under the Note or to provide any other financial accommodations to Mortgagor.

Section 6.02 Events of Default. The occurrence of any of the following events shall constitute an Event of Default (herein so called) under this Mortgage:

(a) Mortgagor shall fail or refuse to pay all or any portion of the Debt when due, subject to any grace periods applicable to such payments in the documents evidencing such Debt.

(b) Mortgagor shall fail to perform or to fulfill the covenants and obligations of Mortgagor contained in this Mortgage, which failure shall continue for more than thirty (30) days following written notice from Mortgagee to Mortgagor (provided, however, if any non-monetary failure cannot reasonably be cured within such 30-day period, it shall not constitute an Event of Default hereunder if Mortgagor commences to cure such failure within said 30-day period and thereafter diligently pursues such cure to completion within one hundred twenty (120) days following the date that Mortgagor first received notice of the failure from Mortgagee).

(c) any warranty or representation of Mortgagor set forth in this Mortgage shall be false, misleading or erroneous in any material respect when made or deemed made.

(d) Mortgagor shall become insolvent, be the subject of an order for relief, or a custodian, receiver, or other such officer of its property be appointed, or should any liquidation, reorganization, arrangement, or other proceeding under any bankruptcy law or other law for the relief of debtors be requested by or instituted against Mortgagor and, in the case of any such proceeding that is involuntary as to Mortgagor, the same is not dismissed or discharged within ninety (90) days thereafter.

(e) any “Event of Default” as defined in the Loan Agreement.

(f) except as otherwise permitted under the Loan Agreement and the Loan Documents, any condemnation proceeding is commenced relating to all or, in the judgment of Mortgagee, any material part of, the Property.

(g) any substantial damage to or destruction of the Property occurs and insurance proceeds (together with other funds deposited with Mortgagee by or on behalf of Mortgagor for the purpose of repair and restoration of such damage or destruction, if any) are not sufficient to repair and restore the Property as determined by the procedures set forth in the Loan Agreement and the other Loan Documents, or if insurance proceeds are not paid within a reasonable time.

(h) the sale, encumbrance or abandonment (except as otherwise expressly agreed to in writing by Mortgagee) of the Property or the making of any levy, seizure or attachment of or on the Property.

(i) an event of default (however denominated) shall occur under any Loan Document, unless such default, event of default or similar event is fully cured within any applicable cure period agreed to in writing by Mortgagee.

Section 6.03 Remedies. Subject, to the extent applicable, to Florida Statutes, as amended, upon the occurrence of any Event of Default, and at any time thereafter:

(a) Debt Due. All Debt in its entirety shall, at the option of Mortgagee, become immediately due and payable without presentment, demand, notice of intention to accelerate or notice of acceleration, or other notice of any kind, all of which are hereby expressly WAIVED, and the liens and security interests created or intended to be created hereby shall be subject to foreclosure, repossession and sale in any manner provided for herein or provided for by law, as Mortgagee may elect, and Mortgagee may exercise any and all of its rights under this Mortgage, the Loan Agreement and the other Loan Documents.

(b) Legal Proceedings. Mortgagee shall have the right and power to proceed by suit or suits in equity or at law, whether for the specific performance of any covenant or agreement of Mortgagor contained herein or in aid of the execution of the powers herein granted, or for foreclosure or the sale of the Property or any part thereof under the judgment or decree of any court of competent jurisdiction, or for the enforcement of any other appropriate legal or equitable remedy.

(c) Foreclosure. Mortgagee shall have the right and power to pursue foreclosure pursuant to Section 6.04 below.

(d) Other Remedies. Mortgagee shall have the right and power to exercise any other remedy available at law or in equity.

Section 6.04 Foreclosure. Mortgagee may (i) institute and maintain any one or more actions of mortgage foreclosure against all or any part of the Property and the interests of Mortgagor therein, including the right to elect to foreclose such of the Property as then comprise fixtures pursuant either to the law applicable to foreclosure of an interest in real estate or to that applicable to personal property under the UCC, (ii) institute and maintain an action on any instruments evidencing the Debt or any portion thereof, and (iii) take such other action at law or in equity for the enforcement of the Loan Agreement and any of the other Loan Documents as the law may allow, and may proceed therein to final judgment and execution for the entire unpaid balance of the Debt, and in each such action Mortgagee shall be entitled to all costs of suit and attorneys' fees. The unpaid balance of any judgment shall bear interest at the lesser of (a) the statutory rate provided for judgments, or (b) the Past Due Rate. Without limiting the foregoing, Mortgagee may foreclose this Mortgage and exercise its rights as a secured party for all or any portion of the Debt which is then due and payable, subject to the continuing lien of this Mortgage for the balance not then due and payable. In case of any sale of the Property by judicial proceedings, the Property may be sold in one parcel or in such parcels, manner or order as Mortgagee in its sole discretion may elect. Mortgagor, for itself and anyone claiming by, through or under it, hereby agrees that Mortgagee shall in no manner, in law or in equity, be limited, except as herein provided, in the exercise of its rights in the Property or in any other security hereunder or otherwise appertaining to the Debt or any other obligation secured by this Mortgage, whether by any statute, rule or precedent which may otherwise require said security to be marshaled in any manner and Mortgagor, for itself and others as aforesaid, hereby expressly waives and releases any right to or benefit thereof. The failure to make any tenant a defendant to a foreclosure proceeding shall not be asserted by Mortgagor as a defense in any proceeding instituted by Mortgagee to collect the Debt or any deficiency remaining unpaid after the foreclosure sale of the Property.

Section 6.05 Application of Foreclosure Sale Proceeds. The proceeds of any sale of the Collateral, and any rents and other amounts collected by Mortgagee from Mortgagee's holding, leasing, operating or making any other use of the Collateral, shall, subject to the terms of the Loan Agreement and applicable law, be applied by Mortgagee (or by the receiver, if one is appointed) to the extent that funds are available therefrom in the following order of priority:

(a) To Expenses and Senior Obligation Payments. First, to the payment of the costs and expenses of taking possession of the Collateral and of holding, maintaining, using, leasing, repairing, equipping, manning, improving, marketing and selling it, including (i) trustees' and receivers' fees, (ii) court costs, (iii) reasonable attorneys' and accountants' fees, (iv) costs of advertisement and brokers' commissions and (v) payment of any and all Impositions, liens, security interests or other rights, titles or interests superior to the lien and security interest of this Mortgage, whether or not then due and including any prepayment penalties or fees and any accrued or required interest (except, in the case of foreclosure proceeds, those senior liens and security interests, if any, subject to which the Collateral was sold at such trustee's sale, and without in any way implying Mortgagee's consent to the creation or existence of any such prior liens);

(b) To Other Obligations Owed to Mortgagee. Second, to the payment of all amounts, other than the principal balance and accrued but unpaid interest, which may be due to Mortgagee under the Loan Agreement and the other Loan Documents, together with interest thereon as provided therein;

(c) To Accrued Interest on the Debt. Third, to the payment of all accrued but unpaid interest due on the Debt;

(d) To Debt Principal. Fourth, to the payment of the principal balance on the Debt and the principal owing under this Mortgage and any other Loan Document, irrespective of whether then matured, and if it is payable in installments and not matured, then to the installments in such order as Mortgagee shall elect;

(e) To Junior Lienholders. Fifth, to the extent funds are available therefor out of the sale proceeds or any rents and, to the extent known by Mortgagee, to the payment of any debt or obligation secured by a subordinate mortgage on or security interest in the Collateral; and

(f) To Mortgagor. Sixth, to Mortgagor, its successors and assigns, or to whomsoever may be lawfully entitled to receive such proceeds.

Section 6.06 Mortgagee May Require Abandonment and Recommencement of Sale. If Mortgagee should commence the sale, Mortgagee may at any time before the sale is completed abandon the sale, and may at any time or times thereafter commence foreclosure; or, irrespective of whether foreclosure is commenced by Mortgagee, Mortgagee may at any time after an Event of Default institute suit for collection of the Debt or foreclosure of this Mortgage. If Mortgagee should institute suit for collection of the Debt or foreclosure of this Mortgage, Mortgagee may at any time before the entry of final judgment dismiss it and sell the Collateral in accordance with the provisions of this Mortgage.

Section 6.07 Multiple Sales; Mortgage Continues in Effect. No single sale or series of sales by Mortgagee or by any substitute or successor and no judicial foreclosure shall extinguish the lien or exhaust the power of sale under this Mortgage except with respect to the items of property sold, nor shall it extinguish, terminate or impair Mortgagor's contractual obligations under this Mortgage, but such lien and power shall exist for so long as, and may be exercised in any manner by law or in this Mortgage provided as often as the circumstances require to give Mortgagee full relief under this Mortgage, and such contractual obligations shall continue in full force and effect until final termination of this Mortgage.

Section 6.08 Mortgagee May Bid and Purchase. Mortgagee shall have the right to become the purchaser at any sale made under this Mortgage, being the highest bidder, and credit given upon all or any part of the Debt shall be the exact equivalent of cash paid for the purposes of this Mortgage.

Section 6.09 Reserved.

Section 6.10 Right to Receiver. Upon the occurrence of an Event of Default or at any time after commencement of a Mortgagee's foreclosure sale or any legal proceedings under this Mortgage, Mortgagee may, at Mortgagee's election, make application to a court of competent

jurisdiction for appointment of a receiver of the Property, as a matter of strict right, without notice to Mortgagor and without regard to the adequacy of the value of the Property for the repayment of the Debt, and Mortgagor hereby irrevocably consents to such an appointment. Any receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to possess, rent, maintain, repair and operate the Property upon such terms and conditions as may be approved by the court, and shall apply the rents realized in the same manner and order as foreclosure proceeds in accordance with Section 6.05 or as otherwise required pursuant to the terms of the Loan Agreement.

Section 6.11 Tenants at Will. Mortgagor agrees for itself and its heirs, legal representatives, successors and assigns, that if any of them shall hold possession of the Property or any part thereof subsequent to foreclosure hereunder, Mortgagor, or the parties so holding possession, shall become and be considered as tenants at will of the purchaser or purchasers at such foreclosure sale; and any such tenant failing or refusing to surrender possession upon demand shall be guilty of forcible detainer and shall be liable to such purchaser or purchasers for rental on said premises, and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, all damages which may be sustained by any such tenant as a result thereof being hereby expressly waived.

Section 6.12 Lifting of Automatic Stay. In the event that Mortgagor or any other Obligor is the subject of any insolvency, bankruptcy, receivership, dissolution, reorganization or similar proceeding, federal or state, voluntary or involuntary, under any present or future law or act, Mortgagee is entitled to the automatic and absolute lifting of any automatic stay as to the enforcement of its remedies under the Loan Agreement and the Loan Documents against the security for the Debt, including specifically the stay imposed by Section 362 of the United States Federal Bankruptcy Code, as amended. Mortgagor hereby consents to the immediate lifting of any such automatic stay, and will not contest any motion by Mortgagee to lift such stay. Mortgagor expressly acknowledges that the security for the Debt is not now and will never be necessary to any plan of reorganization of any type.

## ARTICLE 7

### MORTGAGEE'S RIGHT TO PERFORM MORTGAGOR'S OBLIGATIONS

Section 7.01 Mortgagee May Elect to Perform Defaulted Obligations. If Mortgagor should fail to comply with any of its agreements, covenants or obligations under this Mortgage, the Loan Agreement, or any other Loan Document, then Mortgagee (in Mortgagor's name or in Mortgagee's own name) may perform them or cause them to be performed for Mortgagor's account and at Mortgagor's expense, but shall have no obligation to perform any of them or cause them to be performed. Any and all expenses thus incurred or paid by Mortgagee shall be Mortgagor's obligations to Mortgagee due and payable on demand, and each shall bear interest from the date Mortgagee pays it until the date Mortgagor repays it to Mortgagee, at the maximum nonusurious rate of interest from time to time permitted by Florida and federal law (the "Ceiling Rate"), or, only if applicable law imposes no maximum nonusurious rate, then at the same rate as is provided for in the Note for interest on past due principal (the "Past Due Rate"). Upon making any such payment or incurring any such expense, Mortgagee shall be fully and automatically subrogated to all of the rights of the person, corporation or body politic receiving such payment.

Any amounts owing by Mortgagor to Mortgagee pursuant to this or any other provision of this Mortgage shall automatically and without notice be and become a part of the Debt and shall be secured by this and all other instruments securing the Debt. The amount and nature of any such expense and the time when it was paid shall be fully established by the affidavit of Mortgagee or any of Mortgagee's officers or agents. Without notice to Mortgagor or any other person or entity, the Ceiling Rate and the Past Due Rate shall automatically fluctuate upward and downward as and in any amount by which the maximum nonusurious rate of interest permitted by such applicable law and the rate of interest as provided for in the Note for interest on past due principal fluctuate, respectively.

Section 7.02 Exercise of Rights is Not Waiver or Cure of Default. The exercise of the privileges granted to Mortgagee in this Article shall in no event be considered or constitute a cure of the default or a waiver of Mortgagee's right at any time after an Event of Default to declare the Debt to be at once due and payable, but is cumulative of such right and of all other rights given by this Mortgage, the Loan Agreement and the other Loan Documents and of all rights given Mortgagee by law.

## ARTICLE 8

### TAX AND INSURANCE DEPOSITS

In addition to the Debt payments, subject to the provisions of the Loan Agreement and the other Loan Documents, if Mortgagor fails to pay its insurance payments when due, promptly after Mortgagee requests it, Mortgagor agrees to deposit with Mortgagee each month an amount equal to one twelfth (1/12) of the aggregate of (i) the next succeeding premiums (or payments in respect of them, if premiums are financed) on all insurance policies which Mortgagor is required by or pursuant to this Mortgage, the Loan Agreement and the other Loan Documents to maintain on the Property, and (ii) the amount of the next succeeding annual tax payments, assessment installments, maintenance charges and other Impositions to become due and payable with respect to the Property, as estimated by Mortgagee, plus, with the first of such monthly deposits, an additional month's share (a twelfth) of such premiums and taxes for each month less than twelve (12) remaining before the next payment thereof falls due. At least fifteen (15) days before the date on which any such insurance premium (or payment in respect of it, if premiums are financed) or any of the Impositions must be paid to avoid delinquency, promptly after Mortgagee's request, Mortgagor agrees to deliver to Mortgagee a statement or statements showing the amount of the premium (or payment in respect of it, if premiums are financed) or Impositions required to be paid and the name and mailing address of the concern or authority to which it is payable and, at the same time, Mortgagor agrees to deposit with Mortgagee such amounts as will, when added to the amount of such deposits previously made and then remaining available for the purpose, be sufficient to pay such insurance obligations or Impositions. Mortgagee shall have the right to and will, if, as and when requested by Mortgagor to do so, apply such deposits in payment of such insurance obligations and Impositions.

## ARTICLE 9

### ASSIGNMENT OF RENTS

Section 9.01 Assignment of Rents, Revenues, Income and Profits. Mortgagor hereby assigns and transfers to Mortgagee all rents, revenues, income and profits (“Rental”) payable under each Lease (hereinafter defined) now or at any time hereinafter existing, such assignment being upon the terms set forth in Section 9.02 below. The term “Lease” or “Leases” means any oral or written agreement between Mortgagor and another person or entity to use or occupy all or any portion of the Property, together with any guaranties or security for the obligations of any tenant, lessee, sublessee or other person or entity having the right to occupy, use or manage any part of the Property under a Lease. The definition of Leases shall include all “Leases” as defined or described in the Florida Statutes and the definition of Rents shall include all “Rents” as defined in Florida Statutes. Furthermore, it is the intent of the parties to comply with the requirements of Florida Statutes in connection with the assignment of Rents and Leases. Accordingly, the enforcement of rights related to the assignment of Rents and Leases shall be subject to compliance with the provisions of Florida Statutes. Each time Mortgagor enters into a Lease, such Lease shall automatically become subject to this Article without further action.

Section 9.02 Assignment Is Absolute; Grant of Revocable License to Mortgagor to Collect Rental before an Event of Default. The transfer of Rental to Mortgagee shall be upon the following terms: (a) until receipt from Mortgagee of notice of the occurrence of an Event of Default, Mortgagor shall have the right under a retained and reserved license (but limited as provided herein) to collect Rental and each tenant may pay Rental directly to Mortgagor; but after an Event of Default, Mortgagor’s license shall automatically terminate and be revoked and to the extent Mortgagor collects any Rental thereafter accruing or paid, Mortgagor covenants to hold all such Rental in trust for the use and benefit of Mortgagee; (b) upon receipt from Mortgagee of notice that an Event of Default exists, each tenant is hereby authorized and directed to pay directly to Mortgagee all Rental thereafter accruing or payable and receipt of Rental by Mortgagee shall be a release of such tenant to the extent of all amounts so paid; (c) Rental so received by Mortgagee shall be applied by Mortgagee, first to the expenses, if any, of collection and then in accordance with Section 6.05 hereof; (d) without impairing its rights hereunder, Mortgagee may, at its option, at any time and from time to time, release to Mortgagor Rental so received by Mortgagee, or any part thereof; (e) Mortgagee shall not be liable for its failure to collect or its failure to exercise diligence in the collection of Rental, but shall be accountable only for Rental that it shall actually receive; and (f) the assignment contained in this Article shall terminate upon the release of this Mortgage, but no tenant shall be required to take notice of termination until a copy of such release shall have been delivered to such tenant. The assignment contained in this Article is intended to be absolute, unconditional and presently effective. It shall never be necessary for Mortgagee to institute legal proceedings of any kind whatsoever to enforce the provisions of this Article. It is agreed that any Rental retained and reserved by Mortgagor pursuant to the aforementioned license will not constitute a payment by Mortgagor to Mortgagee of any portion of the Debt (and hence will not be credited to the Debt) until the Rental is actually paid to Mortgagee and retained by Mortgagee and then, in such event, the Rental so received shall be applied in accordance with Section 9.03.

Notwithstanding anything to the contrary set forth herein, to the fullest extent available under applicable law, Mortgagee shall be entitled to all rights and remedies of a mortgagee set forth in Section 697 of Florida's Rent Statute. This assignment shall constitute and serve as a security instrument under Section 697 of Florida's Rent Statute. Mortgagee shall have the ability to exercise its rights related to the Leases and Rental, in Mortgagee's sole discretion and without prejudice to any other remedy available, as provided in this Mortgage or as otherwise allowed by applicable law, including, without limitation, Section 697 of Florida's Rent Statute. Notwithstanding anything to the contrary contained in this Mortgage, the Loan Agreement or the other Loan Documents, to the extent this assignment contains any notice or cure period, the date enforcement of Mortgagee's right under Section 697 of Florida's Rent Statute begins shall not be affected, extended or otherwise modified by reason of such periods. In the event of any inconsistencies between the terms and conditions of this Section 9.02 and the other terms and provisions of this Mortgage, the Loan Agreement and the other Loan Documents, the terms and conditions of this Section 9.02 shall control and be binding.

Section 9.03 Remedies. Subject to Section 10.24 hereof, should an Event of Default occur, Mortgagor agrees to deliver to Mortgagee possession and control of all Rental held by Mortgagor in trust for the benefit of Mortgagee. Mortgagor specifically agrees that Mortgagee may upon the occurrence of any Event of Default or at any time thereafter, personally or through an agent selected by Mortgagee, take possession and control of all or any part of the Property and may receive and collect all Rental theretofore accrued and all thereafter accruing therefrom until the final termination of this Mortgage or until the foreclosure of the lien of this Mortgage, applying so much thereof as may be collected before sale of the Property by Mortgagee or judicial foreclosure of this Mortgage first to the expenses of Mortgagee incurred in obtaining the Rental and then applying the Rental so received in accordance with the provisions of Section 6.05 hereof. Any such action by Mortgagee shall not operate as a waiver of the Event of Default in question, or as an affirmation of any Lease or of the rights of any tenant in the event title to that part of the Property covered by the Lease or held by the tenant should be acquired by Mortgagee or other purchaser at foreclosure sale. Mortgagee or Mortgagee's agent may use against Mortgagor or any other person such lawful or peaceable means as the person acting may see fit to enforce the collection of any such Rental or to secure possession of the Property, or any part of it and may settle or compromise on any terms as Mortgagee or Mortgagee's agent sees fit, the liability of any person or persons for any such Rental. In particular, Mortgagee or Mortgagee's agent may institute and prosecute to final conclusion actions of forcible entry and detainer, or actions of trespass to try title, or actions for damages, or any other appropriate actions, in the name of Mortgagee or Mortgagor, and may settle, compromise or abandon any such actions as Mortgagee or Mortgagee's agent may see fit; and Mortgagor binds itself and its successors and assigns to take whatever lawful or peaceable steps Mortgagee or Mortgagee's agent may ask of it or any such person or concern so claiming to take for such purposes, including the institution and prosecution of actions of the character above stated. However, neither Mortgagee nor Mortgagee's agent shall be obligated to collect any such Rental or be liable or chargeable for failure to do so. Upon any sale of the Property or any part thereof in foreclosure of the lien or security interest created by this Mortgage, such Rental so sold which thereafter accrues shall be deemed included in such sale and shall pass to the purchaser free and clear of the assignment made in this Article. Nothing in this Section is intended to require Mortgagee to institute any legal proceedings or engage in any self-help remedies in order to make the absolute assignment of the Rental to Mortgagee operative.



Section 9.04 Mortgagee in Possession; No Liability of Mortgagee. Mortgagee's acceptance of this assignment shall not, before entry upon and taking possession of the Property by Mortgagee, be deemed to constitute Mortgagee a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses or perform any obligation or liability under the Leases, or assume any obligation under the Leases including the obligation to return any deposit delivered to Mortgagor by any tenant. Mortgagee shall not be liable for any injury or damage to person or property in or about the Property. Neither the collection of Rental due under the Leases herein described nor possession of the Property by Mortgagee shall render Mortgagee liable with respect to any obligations of Mortgagor under any of the Leases.

Section 9.05 Additional Covenants, Warranties and Representations Concerning Leases and Rental. Mortgagor covenants, warrants and represents that:

(a) Neither Mortgagor nor any previous owner has entered into any prior oral or written assignment, pledge or reservation of the Rental, entered into any prior assignment or pledge of Mortgagor's landlord interests in any Lease or performed any act or executed any other instruments which might prevent or limit Mortgagee from operating under the terms and conditions of this Article;

(b) Mortgagor has good title to the Leases and Rental hereby assigned and the authority to assign same, and no other person or entity has any right, title or interest in and to the landlord's interests therein;

(c) All existing Leases are valid, unmodified and in full force and effect, except as indicated herein, and no default exists thereunder;

(d) Mortgagor upon request, from time to time, shall furnish to Mortgagee a rent roll and lease abstract in such reasonable detail as Mortgagee may request, certified by Mortgagor, of all Leases relating to the Property, and on demand, Mortgagor shall furnish to Mortgagee executed copies of any and all such Leases.

(e) No Rental has been, nor does Mortgagor anticipate that any Rental will be, waived, released, discounted, set off or compromised, except as disclosed to Mortgagee in writing before the date hereof;

(f) Except as disclosed to Mortgagee in writing before the date hereof, Mortgagor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rental;

(g) Mortgagor shall (i) perform all of the terms and conditions of the Leases, (ii) upon Mortgagee's request, execute an additional assignment to Mortgagee of all Leases then affecting the Property and all Rental and other sums due thereunder by assignment(s) in form and substance satisfactory to Mortgagee and (iii) at the request of Mortgagee, record such Leases and the assignment(s) thereof to Mortgagee. Mortgagor will not, without the prior written consent of Mortgagee, amend, modify, extend, renew, terminate, cancel or surrender any Lease or suffer or permit any of the foregoing, orally or in writing;

(h) Mortgagor shall not execute any Lease unless the form of the Lease has been approved by Mortgagee and the tenant under such Lease and the terms of such Lease shall comply with leasing standards for the Property from time to time approved by Mortgagee in writing;

(i) Mortgagor shall give immediate written notice to Mortgagee of any notice Mortgagor received from any tenant or subtenant under any Leases specifying any claimed default by any party under such Leases;

(j) Mortgagor shall enforce the tenants' obligations under the Leases;

(k) Mortgagor shall defend, at Mortgagor's expense, any proceeding pertaining to the Leases, including, if Mortgagee so requests, any such proceeding to which Mortgagee is a party;

(l) Mortgagor shall neither create nor permit any encumbrance upon its interest as landlord under the Leases, except for this Mortgage and any other encumbrances permitted by this Mortgage;

(m) Mortgagor shall not encumber or assign, or permit the encumbrance or assignment of, any Leases or Rental without the prior written consent of Mortgagee;

(n) Mortgagor shall not waive or release any obligation of any tenant under the Leases without prior written consent of Mortgagee;

(o) Each Lease executed after the date hereof shall contain a statement signed by Mortgagor that such Lease is subject to this Mortgage;

(p) Mortgagor shall from time to time furnish to Mortgagee, within thirty (30) days after demand therefor, true, correct and complete copies of all Leases or any portion of the Leases specified by Mortgagee; and

(q) Mortgagor shall not in any event collect any Rental more than one (1) month in advance of the time it will be earned (and if Mortgagor does so, in addition to any other rights or remedies available by reason of such Event of Default, all Rental so collected more than one (1) month in advance of the time it is earned shall be delivered to Mortgagee to be applied to the Debt).

Section 9.06 Merger. There shall be no merger of the leasehold estates created by the Leases with the fee or any other estate in the Property without the prior written consent of Mortgagee.

Section 9.07 Reassignment. By Mortgagee's acceptance of this Mortgage, it is understood and agreed that a full and complete release of this Mortgage shall operate as a full and complete reassignment to Mortgagor of Mortgagee's rights and interests under this Article (subject to the automatic reinstatement provisions of Section 10.17 below).

## ARTICLE 10

### GENERAL AND MISCELLANEOUS PROVISIONS

Section 10.01 Debt May be Changed without Affecting this Mortgage. Any of the Debt may be extended, rearranged, renewed, increased or otherwise changed in any way, and any part of the security described in this Mortgage or any other security for any part of the Debt may be waived or released without in anyway altering or diminishing the force, effect or lien of this Mortgage, and the lien, assignment and security interest granted by this Mortgage shall continue as a prior lien, assignment and security interest on all of the Property not expressly so released, until the final termination of this Mortgage.

Section 10.02 Security Is Cumulative. No other security now existing or hereafter taken to secure any part of the Debt or the performance of any obligation or liability whatever shall in any manner affect or impair the security given by this Mortgage. All security for any part of the Debt and the performance of any obligation or liability shall be taken, considered and held as cumulative.

Section 10.03 Usury Not Intended; Savings Provisions. Notwithstanding any provision to the contrary contained in the Loan Agreement or any Loan Document, it is expressly provided that in no case or event shall the aggregate of any amounts accrued or paid pursuant to this Mortgage which under applicable laws are or may be deemed to constitute interest ever exceed the maximum nonusurious interest rate permitted by applicable Florida or federal laws, whichever permit the higher rate. In this connection, Mortgagor and Mortgagee stipulate and agree that it is their common and overriding intent to contract in strict compliance with applicable usury laws. In furtherance thereof, none of the terms of this Mortgage shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the maximum rate permitted by applicable laws. Mortgagor shall never be liable for interest in excess of the maximum rate permitted by applicable laws. If, for any reason whatever, such interest paid or received during the full term of the applicable indebtedness produces a rate which exceeds the maximum rate permitted by applicable laws, Mortgagee shall credit against the principal of such indebtedness (or, if such indebtedness shall have been paid in full, shall refund to the payor of such interest) such portion of said interest as shall be necessary to cause the interest paid to produce a rate equal to the maximum rate permitted by applicable laws. All sums paid or agreed to be paid to Mortgagee for the use, forbearance or detention of money shall, to the extent required to avoid or minimize usury and to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the applicable indebtedness so that the interest rate thereon does not exceed the Ceiling Rate. The provisions of this Section shall control all agreements, whether now or hereafter existing and whether written or oral, between Mortgagor and Mortgagee.

Section 10.04 Mortgagor Waives All Stay, Extension, Appraisement and Redemption Rights. Mortgagor will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force in any locality where the Property or any part thereof may or shall be situated, nor will Mortgagor claim, take or insist on any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the Property or any part thereof before any sale or sales thereof

to be made pursuant to any provision of this Mortgage, or to decree of any court of competent jurisdiction, nor after any such sale or sales made pursuant to any provision of this Mortgage, or to decree of any court of competent jurisdiction, nor after any such sale or sales will Mortgagor claim or exercise any right conferred by any law now or at any time hereafter in force to redeem the property so sold or any part of it, and Mortgagor hereby WAIVES all benefit and advantage of any such law or laws and WAIVES the appraisalment of the Property or any part of it and covenants that Mortgagor will not hinder, delay or impede the execution of any power in this Mortgage granted and delegated to Mortgagee, but that Mortgagor will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 10.05 Subrogation to Liens Discharged. Mortgagor hereby agrees that Mortgagee shall be subrogated to all rights, titles, interests, liens, benefits, remedies, equities, superior title and security interests (the “Subrogated Liens”) owned, claimed or held as security for any debt or other obligation (the “Discharged Obligations”) directly or indirectly satisfied, discharged or paid with money or other property advanced by Mortgagee. Irrespective of any formal or informal acknowledgment of partial or complete satisfaction or release of the Discharged Obligations, the Subrogated Liens shall be continued, renewed, extended, brought forward and rearranged as security for the Debt in addition to and cumulative of the lien and security interest of this Mortgage. Foreclosure under this Mortgage shall constitute foreclosure of the Subrogated Liens.

Section 10.06 Due on Sale. Subject to the provisions of the Loan Agreement, the Loan Documents and the provisions of this Mortgage (including, without limitation, Section 10.24 and 10.25 hereof), Mortgagor agrees that if, without Mortgagee’s prior written consent, (a) any part of the Property or any interest either in the Property or in the beneficial equity ownership of any Mortgagor which is not a natural person (an “Equity Interest”) should be directly or indirectly transferred, conveyed or mortgaged, voluntarily or involuntarily, absolutely or as security, or (b) Mortgagor should enter into any contractual arrangement to transfer, convey or mortgage any part of the Property or any interest either in the Property or in an Equity Interest, Mortgagee shall have the right and option (except only in those circumstances, if any, where the exercise of such right is expressly prohibited by applicable law and such law also precludes Mortgagor from effectively waiving such prohibition) to declare the Note or the entire amount of the Debt to be due and payable. Mortgagee shall have such right and option absolutely and irrespective of whether or not the transfer, conveyance or mortgage would or might (i) diminish the value of any security for the Debt, (ii) increase the risk of default under this Mortgage, (iii) increase the likelihood of Mortgagee’s having to resort to any security for the Debt after default or (iv) add or remove the liability of any person or entity for payment of the Debt or performance of any covenant or obligation under this Mortgage. To exercise such right and option, Mortgagee shall give written notice to Mortgagor and to the person or entity to whom such property was transferred, conveyed or mortgaged that the Note or Debt has been declared due and payable and that Mortgagee demands that its maker pay it. If Mortgagee’s consent to a proposed transfer, conveyance or mortgaging is requested, Mortgagee shall have the right (in addition to its absolute right to refuse to consent to any such transaction) to condition its consent upon satisfaction of any one or more of the following requirements: (1) that the interest rate(s) on all or any part of the Debt be increased to a rate which is then acceptable to Mortgagee; (2) that a reasonable transfer fee, in an amount determined by Mortgagee, be paid; (3) that a principal amount deemed appropriate by Mortgagee be paid against the Debt to reduce the ratio that the outstanding balance of the Debt bears to the value of the Property as determined by Mortgagee to a level which is then acceptable to Mortgagee; (4) that

Mortgagor and each proposed transferee execute an assumption agreement and such other instruments as Mortgagee or its counsel shall reasonably require and in form and substance satisfactory to Mortgagee and its counsel; (5) that the proposed transferee's creditworthiness and experience in owning and operating similar properties be demonstrable and proven to Mortgagee's reasonable satisfaction to be at least as good as Mortgagor's and Mortgagor's managers' at the time the Note was first funded; (6) that the liability to Mortgagee of Mortgagor and all makers and guarantors of all or any part of the Debt will be confirmed by them in writing to be unaffected and unimpaired by such transfer, conveyance or mortgaging and (7) that any existing or proposed junior mortgagee expressly subordinate to all liens and security interests securing the Debt as to both lien and payment right priority and consent to the proposed transaction in a writing addressed to Mortgagee.

Section 10.07 Condemnation. Subject to the terms and conditions of the Loan Agreement and the other Loan Documents, if before final termination of this Mortgage, all or a portion of the Property is taken for public or quasi-public purposes, either through eminent domain or condemnation proceedings, by voluntary conveyance under threat of condemnation with Mortgagee's express written consent and joinder or otherwise, Mortgagor hereby agrees that any and all sums of money awarded or allowed as damages, payments in lieu of condemnation awards or otherwise to or for the account of the owner of the Property or any portion of it on account of such taking shall be paid and delivered to Mortgagee, and they are hereby assigned to Mortgagee, and shall be paid directly to Mortgagee. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Property and all judgments, decrees and awards for injury or damage to the Property shall be applied, first, to reimburse Mortgagee for all costs and expenses, including reasonable attorneys' fees, incurred in connection with collection of such proceeds and, second, the remainder of said proceeds shall be applied, at the discretion of Mortgagee, to the payment of the Debt in the order set forth in the Loan Agreement, or paid out to repair or restore the Property so affected by such condemnation, injury or damage in the same manner as provided in Section 4.01(f) above. Mortgagor agrees to execute such further assignments of all such proceeds, judgments, decrees and awards as Mortgagee may request. Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. Mortgagee shall not be, in any event or circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any such proceeds, judgments, decrees or awards.

Section 10.08 Appraisals and Reports to be Provided. Mortgagee (by its officers, employees, directors or agents) at any time and from time to time after the occurrence of an Event of Default hereunder, and at Mortgagor's sole cost and expense (to the extent not prohibited by applicable law), may contract for the services of an appraiser approved by Mortgagee in its sole discretion to perform a written appraisal of the Property (or such parts of it as are designated in Mortgagee's request). Any such appraisal may be performed at any time or times upon reasonable notice to Mortgagor, as long as it does not unreasonably interfere with Mortgagor's use of the Property. Specifically, any such appraiser is authorized to enter upon, and Mortgagor shall allow such appraiser access to, the Property as may be necessary in the opinion of such appraiser to perform its professional services. Mortgagor will also furnish such appraiser such historical and operational information regarding the Property as may be reasonably requested by such appraiser to facilitate preparation of an appraisal and will make available for meetings with such appraiser appropriate personnel having knowledge of such matters. Mortgagor will permit Mortgagee and

its agents, independent contractors, representatives, employees and officers at all reasonable times to go upon, examine, inspect and remain on the Property for any lawful purpose and will furnish to Mortgagee on request all pertinent information in regard to the development, operation, use and status of the Property. Promptly upon Mortgagee's request, Mortgagor agrees, at Mortgagor's sole cost and expense (to the extent not prohibited by applicable law):

(a) to cause an inspection and written appraisal of the Property (or such parts of it as are designated in Mortgagee's request) to be made by a qualified appraiser approved by Mortgagee; and

(b) to cause to be conducted or prepared any other written report, summary, opinion, inspection, review, survey, audit or other professional service relating to the Property or any operations in connection with it (all as designated in Mortgagee's request), including any accounting, architectural, consulting, engineering, design, legal, management, pest control, surveying, toxic or hazardous materials survey, inspection, removal or cleanup work, title abstracting or other technical, managerial or professional service relating to the Property or its operations.

Mortgagee may elect to deliver any such request orally, by telegram or telefax, by email, by mail or by hand delivery addressed to Mortgagor as provided in the Introduction to this Mortgage or by any other legally effective method, and it may be given at any time and from time to time before the complete and final release and discharge of this Mortgage. Any amount to be paid under this Section by Mortgagor to Mortgagee shall be a demand obligation owing by Mortgagor to Mortgagee and shall bear interest from the date of expenditure at the Past Due Rate.

Section 10.09 Notices. Except where certified or registered mail notice is required by applicable law, service of any notice to Mortgagor required or permitted under this Mortgage shall be completed upon deposit of the notice, enclosed in a first class postage prepaid wrapper, properly addressed to Mortgagor at Mortgagor's address designated in the Introduction to this Mortgage (or if no address is so designated, or such address has changed, to Mortgagor's most recent address as shown by the records of Mortgagee) in a post office or official depository under the care and custody of the United States Postal Service, and the affidavit of any person having knowledge of the facts concerning such mailing shall be conclusive evidence of the fact of such service. Such method of giving notice shall not be exclusive, but instead any notice may be given to Mortgagor in any manner permitted or recognized by law.

Section 10.10 Mortgagee and Mortgagor. The term "Mortgagee" as used in this Mortgage shall mean and include the holder or holders of the Debt from time to time under the Loan Agreement, and upon acquisition of the Debt under the Loan Agreement by any holder or holders other than the named Mortgagee, effective as of the time of such acquisition, the term "Mortgagee" shall mean all of the then holders of the Debt, to the exclusion of all prior holders not then retaining or reserving an interest in the Debt from time to time, whether such holder acquires the Debt through succession to or assignment from a prior Mortgagee. The term "Mortgagor, its successors and assigns" shall also include the heirs and legal representatives of each Mortgagor who is a natural person and the receivers, conservators, custodians and trustees of each Mortgagor, provided that no Mortgagor may assign or delegate any of its or his rights, interests or obligations under this Mortgage, the Loan Agreement or any Loan Document without Mortgagee's express prior written

consent, and any attempted assignment or delegation without it shall be void or voidable at Mortgagee's election.

Section 10.11 Article, Section and Exhibit References, Numbers and Headings. References in this Mortgage to Articles, Sections and Exhibits refer to Articles, Sections and Exhibits in and to this Mortgage unless otherwise specified. The Article and Section numbers, Exhibit designations and headings used in this Mortgage are included for convenience of reference only and shall not be considered in interpreting, applying or enforcing this Mortgage.

Section 10.12 Exhibits Incorporated. All exhibits, annexes, appendices and schedules referred to any place in the text of this Mortgage are hereby incorporated into it at that place in the text, to the same effect as if set out there verbatim.

Section 10.13 "Including" Is Not Limiting. Wherever the term "including" or a similar term is used in this Mortgage, it shall be read as if it were written, "including by way of example only and without in any way limiting the generality of the clause or concept referred to."

Section 10.14 Gender. The masculine and neuter pronouns used in this Mortgage each includes the masculine, feminine and neuter genders.

Section 10.15 Severability. If any provision of this Mortgage is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Mortgage shall not be affected thereby, and this Mortgage shall be liberally construed so as to carry out the intent of the parties to it. Each waiver in this Mortgage is subject to the overriding and controlling rule that it shall be effective only if and to the extent that (a) it is not prohibited by applicable law and (b) applicable law neither provides for nor allows any material sanctions to be imposed against Mortgagee for having bargained for and obtained it.

Section 10.16 Any Unsecured Debt Is Deemed Paid First. If any part of the Debt cannot lawfully be secured by this Mortgage, or if the lien, assignments and security interest of this Mortgage cannot be lawfully enforced to pay any part of the Debt, then and in either such event, at the option of Mortgagee, all payments on the Debt shall be deemed to have been first applied against that part of the Debt.

Section 10.17 Payments Returned. Mortgagor agrees that, if at any time all or any part of any payment previously applied by Mortgagee to the Debt is or must be returned by Mortgagee—or recovered from Mortgagee—for any reason (including the order of any bankruptcy court), this Mortgage shall automatically be reinstated to the same effect as if the prior application had not been made, and, in addition, Mortgagor hereby agrees to indemnify Mortgagee against, and to save and hold Mortgagee harmless from any required return by Mortgagee—or recovery from Mortgagee—of any such payment because of its being deemed preferential under applicable bankruptcy, receivership or insolvency laws, or for any other reason.

Section 10.18 Noun, Pronoun and Verb Numbers. When this Mortgage is executed by more than one person, corporation, partnership, joint venture, trust or other legal entity, it shall be construed as though "Mortgagor" were written "Mortgagors" and as though the pronouns and verbs in their number were changed to correspond, and in such case, (a) each of Mortgagors shall be bound jointly and severally with one another to keep, observe and perform the covenants,

agreements, obligations and liabilities imposed by this Mortgage upon the “Mortgagor,” (b) a release of one or more persons, corporations or other legal entities comprising “Mortgagor” shall not in any way be deemed a release of any other person, corporation or other legal entity comprising “Mortgagor,” and (c) a separate action hereunder may be brought and prosecuted against one or more of the persons, corporations or other legal entities comprising “Mortgagor” without limiting any liability of or impairing Mortgagee’s right to proceed against any other person, corporation or other legal entity comprising “Mortgagor.”

Section 10.19 Amendments in Writing. This Mortgage shall not be changed orally but shall be changed only by agreement in writing signed by Mortgagor and Mortgagee provided that, no such prior consent shall be required for any amendment related to the release, substitution or supplement as permitted under the Loan Agreement. Any waiver or consent with respect to this Mortgage shall be effective only in the specific instance and for the specific purpose for which given. No course of dealing between the parties, no usage of trade and no parole or extrinsic evidence of any nature shall be used to supplement or modify any of the terms or provisions of this Mortgage.

Section 10.20 Mortgagee’s Offset Rights. Mortgagee is hereby authorized at any time and from time to time, without notice to any person or entity (and Mortgagor hereby WAIVES any such notice) to the fullest extent permitted by law, to set-off and apply any and all monies, securities and other properties of Mortgagor now or in the future in the possession, custody or control of Mortgagee, or on deposit with or otherwise owed to Mortgagor by Mortgagee—including all such monies, securities and other properties held in general, special, time, demand, provisional or final accounts or for safekeeping or as collateral or otherwise (but excluding those accounts clearly designated as escrow or trust accounts held by Mortgagor for others unaffiliated with Mortgagor)—against any and all of Mortgagor’s obligations to Mortgagee now or hereafter existing under this Mortgage, irrespective of whether Mortgagee shall have made any demand under this Mortgage. Mortgagee agrees to use reasonable efforts to promptly notify Mortgagor after any such set-off and application, provided that failure to give—or delay in giving—any such notice shall not affect the validity of such set-off and application or impose any liability on Mortgagee. Mortgagee’s rights under this Section are in addition to other rights and remedies (including other rights of set-off) which Mortgagee may have.

Section 10.21 Venue. This Mortgage is performable in Hillsborough County, Florida, which shall be the proper place of venue for suit on or in respect of this Mortgage. Mortgagor irrevocably agrees that any legal proceeding in respect of this Mortgage shall be brought in the district court of Hillsborough County, Florida or the United States District Court for the Middle District of Florida (collectively, the “Specified Courts”). Mortgagor hereby irrevocably submits to the nonexclusive jurisdiction of the state and federal courts of the State of Florida. Mortgagor hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Mortgage, the Loan Agreement or any Loan Document brought in any Specified Court, and hereby further irrevocably waives any claims that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Mortgagor further irrevocably consents to the service of process out of any of the Specified Courts in any such suit, action or proceeding by the mailing of copies thereof by certified mail, return receipt requested, postage prepaid, to Mortgagor at its address as provided in this Mortgage or as otherwise provided by Florida law.



Nothing herein shall affect the right of Mortgagee to commence legal proceedings or otherwise proceed against Mortgagor in any jurisdiction or to serve process in any manner permitted by applicable law. Mortgagor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. **THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF FLORIDA FROM TIME TO TIME IN EFFECT.**

Section 10.22 Entire Agreement. This Mortgage embodies the entire agreement and understanding between Mortgagor and Mortgagee with respect to its subject matter and, together with the Loan Agreement and the other Loan Documents, supersedes all prior conflicting or inconsistent agreements, consents and understandings relating to such subject matter. Mortgagor acknowledges and agrees that there is no oral agreement between Mortgagor and Mortgagee which has not been incorporated in this Mortgage.

Section 10.23 Release of Claims. **Mortgagor hereby releases, discharges and acquits forever Mortgagee and its officers, directors, trustees, agents, employees and counsel (in each case, past, present or future) from any and all Claims existing as of the date hereof (or the date of actual execution hereof by Mortgagor, if later). As used herein, the term “Claim” shall mean any and all liabilities, claims, defenses, demands, actions, causes of action, judgments, deficiencies, interest, liens, costs or expenses (including court costs, penalties, attorneys’ fees and disbursements, and amounts paid in settlement) of any kind and character whatsoever, including claims for usury, breach of contract, breach of commitment, negligent misrepresentation or failure to act in good faith, in each case whether now known or unknown, suspected or unsuspected, asserted or unasserted or primary or contingent, and whether arising out of written documents, unwritten undertakings, course of conduct, tort, violations of laws or regulations or otherwise.**

Section 10.24 Subordinate Liens. Notwithstanding anything in this Mortgage to the contrary (including, without limitation, the provisions of Sections 2.02 and 10.06), Mortgagor shall have the right to incur short term debt, subordinate debt or otherwise encumber the Collateral to the extent permitted pursuant to the Loan Agreement and other Loan Documents.

Section 10.25 Development Encumbrances. Notwithstanding anything in this Mortgage to the contrary but subject in all respects to the terms and conditions of the Loan Agreement and the other Loan Documents, in connection with the development of the Real Property, without the consent of Mortgagee, and without such actions constituting a breach or violation of this Mortgage, Mortgagor may impose upon the Real Property such reasonable easements and similar encumbrances to title as are customarily created or imposed in connection with the development of real property that is similar or comparable to the Real Property, including filing plats with regard to the Property (“Customary Development Encumbrances”), e.g., utility easements and similar rights of way, and easements, building setback lines, and the like created by the platting or replatting of the Real Property or otherwise; provided, however, that (i) no such Customary Development Encumbrances may materially adversely affect the use of the Real Property for its intended purpose as a charter school or otherwise materially adversely affect the security of the Real Property for the repayment of the Debt, and (ii) the liens and security interests covering or encumbering the Real Property created by this Mortgage shall at all times be superior to the

easements and other similar encumbrances against title to the Real Property created in connection with any future Customary Development Encumbrances, unless otherwise provided in the Loan Agreement or consented to by Mortgagee in writing. Customary Development Encumbrances shall be deemed Permitted Encumbrances to the extent the same are imposed in accordance with this Section 10.25.

Section 10.26 Conflict with Related Loan Documents. Other than with respect to those provisions in this Mortgage relating to the grant of liens and security interests hereby, and the enforcement of same (including without limitation, those provisions relating to the foreclosure of such liens and security interests), in the event of any conflict between the terms and provisions of this Mortgage, on the one hand, and the terms and provisions of the Loan Agreement and the Loan Documents, on the other hand, the terms and provisions of the Loan Agreement and the Loan Documents shall govern and control.

Section 10.27 Concerning Mortgagee. In furtherance and not in derogation of the rights, privileges and immunities of Mortgagee set forth in the Loan Agreement and the Loan Documents:

(a) Mortgagee shall not be responsible for the existence, condition, sufficiency, genuineness, or value of, or title to, any of the Collateral or for the validity, perfection, priority or enforceability of the lien of this Mortgage on any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder. Mortgagee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Mortgage by Mortgagor. For the avoidance of doubt, Mortgagee shall not be liable or responsible for any decrease in value of the Collateral by reason of availing itself of the rights granted by this Mortgage or by reason of Mortgagee's compliance with any environmental law, specifically including any reporting requirement under any such law;

(b) Mortgagee shall not be responsible for insuring the Collateral or for the payment of any Impositions, taxes or liens on the Collateral or for the maintenance of the Collateral; and

(c) Notwithstanding any other provision of this Mortgage, Mortgagee shall have the power and the right, but not the duty, to:

(i) settle or compromise at any time any and all claims against Mortgagee which may be asserted by any governmental body or authority or private party for the alleged violation of any environmental law affecting the Collateral; and

(ii) enter onto the Real Property to take such action as it deems reasonably necessary or advisable to clean up, remediate, encapsulate, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Substances or breaches of Environmental Laws that could result in an order, suit or other action, or which, in the sole, but reasonable, judgment of Mortgagee, could jeopardize its liens under this Mortgage.

(d) Reserved.

(e) Mortgagee's rights under this Mortgage shall be in addition to all rights of Mortgagee under the Loan Agreement; for the avoidance of doubt, any permissive rights of Mortgagee shall not be construed as duties.

Section 10.28 Second Lien Mortgage. Notwithstanding anything to the contrary contained herein, the liens, assignments, pledges and security interests created under or granted in this Mortgage are, secondary and inferior to, and subject and subordinate to, the liens, assignments, pledges and security interests granted pursuant to the Prior Lien and the terms thereof.

## ARTICLE 11

### ENVIRONMENTAL MATTERS

Section 11.01 Certain Definitions. When used in this Article, the following capitalized terms shall have the meanings set forth below:

(a) “Aboveground Storage Tank” means a nonvehicular device constructed of nonearthen materials located above the ground surface or above the floor of a structure that is below the ground and is designed to contain liquids.

(b) “ACM” means asbestos or any material containing more than one percent (1%) asbestos (as determined under Environmental Laws) that is friable or which bears a risk of becoming friable if not abated.

(c) “CERCLA” means the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 et. seq.

(d) “Costs” means all liabilities, losses, costs, damages, punitive damages, expenses, claims, loss of lien priority, diminution in value, reasonable attorneys’ fees, experts’ fees, and consultants’ fees, penalties, fines, obligations, judgments and disbursements, as well as expenses of Remediation and any other remedial, removal, response, abatement, cleanup, legal, investigative, monitoring, or record keeping costs and all expenses related thereto.

(e) “Disposal” (or “disposed”) shall have the meaning specified in RCRA.

(f) “Environmental Audit” means a comprehensive analysis prepared by consultants reasonably acceptable to Mortgagee, the form, scope, and substance of which shall be reasonably acceptable to Mortgagee in its sole discretion, based on existing or reasonably suspected conditions or events at the Property of (i) Mortgagor’s compliance with Environmental Laws, and (ii) Mortgagor’s activities or any activities conducted at the Property for the purpose of determining whether there exists any condition that could give rise to any material Environmental Claim against Mortgagor, the Property or any operator thereof.

(g) “Environmental Claim” means any claim; demand; action; cause of action; suit; loss; cost; damage; punitive damage; fine, penalty, expense, liability, criminal liability, judgment, governmental or private investigation relating to Remediation or compliance with Requirements of Environmental Laws; proceeding; lien; personal injury or property damage, whether threatened, sought, brought or imposed, that is related to or that seeks to recover Costs related to, or seeks to impose liability regarding Mortgagor, the Property or operations conducted at the Property for (i) improper use or treatment of wetlands, pinelands or other protected land or wildlife; (ii) noise; (iii) radioactive materials (including naturally occurring radioactive materials); (iv) explosives; (v) pollution, contamination, preservation, protection, remediation or clean-up of the air, surface

water, ground water, soil or wetlands; (vi) solid, gaseous or liquid waste generation, handling, discharge, release, threatened release, treatment, storage, disposal or transportation; (vii) exposure of persons or property to Hazardous Substances and the effects thereof; (viii) the manufacture, processing, distribution in commerce, use, treatment, storage, disposal or Remediation of Hazardous Substances; (ix) injury to, death of or threat to the health or safety of any person or persons caused in whole or in part by Hazardous Substances; (x) destruction caused in whole or in part by Hazardous Substances or the release of any Hazardous Substance on any property (whether real or personal); (xi) the implementation of spill prevention and/or disaster plans relating to Hazardous Substances; (xii) community right-to-know and other disclosure laws or (xiii) maintaining, disclosing or reporting information to governmental authorities under any Environmental Law. The term “Environmental Claim” also includes any Costs incurred in responding to efforts to require Remediation with respect to the Property or as a result of operations at the Property, and any claim based upon any asserted or actual breach or violation of any Requirements of Environmental Law, or upon any event, occurrence or condition with respect to the Property, or as a result of operations at the Property, as a consequence of which, pursuant to any Requirements of Environmental Law, (y) any owner, operator or person having any interest in the Property, including any mortgagee of the Property or the beneficiary of any mortgage of the Property, shall be liable with respect to any Environmental Claim or otherwise suffer any loss or disability or (z) the Property shall be subject to any restriction on use, ownership or transferability. An “Environmental Claim” further includes a proceeding to issue, modify, revoke or terminate an Environmental Permit, or to adopt or amend a regulation to the extent that such a proceeding or occurrence attempts to redress violations of any applicable Environmental Permit or will materially impair the value of any security for the Debt, the prospects for timely repayment of the Debt, Mortgagor’s current financial condition or Mortgagor’s ability to conduct its business operations or to continue in business as a going concern.

(h) “Environmental Laws” means all applicable laws, ordinances, or orders now or hereafter in effect of any federal, state or local executive, legislative, judicial, regulatory or administrative agency, board or authority or any judicial or administrative decision relating thereto that relate to (i) wetlands, pinelands or other protected land or wildlife species; (ii) noise; (iii) radioactive materials (including naturally occurring radioactive materials); (iv) explosives; (v) pollution, contamination, preservation, protection, or clean-up of the air, surface water, ground water, soil or wetlands; (vi) solid, gaseous or liquid waste generation, handling, discharge, release, threatened release, treatment, storage, disposal or transportation; (vii) exposure of persons or property to Hazardous Substances and the effects thereof; (viii) injury to, death of or threat to the safety or health of employees and any other persons; (ix) the manufacture, processing, distribution in commerce, use, treatment, storage, disposal or Remediation of Hazardous Substances; (x) destruction, contamination of, or release onto any property (whether real or personal) in connection with Hazardous Substances; (xi) the implementation of spill prevention and/or disaster plans relating to Hazardous Substances; (xii) community right-to-know and other disclosure laws; or (xiii) maintaining, disclosing or reporting information to governmental authorities under any Environmental Law.

(i) “Environmental Permits” means any permit, license, registration, waste identification number, approval or other authorization relating to Mortgagor, Mortgagor’s business or operations, or the Property required by any Environmental Law.

(j) “Hazardous Substances” means (i) those substances included within the statutory and/or regulatory definitions of “hazardous substance,” “hazardous waste,” “extremely hazardous substance,” “regulated substance,” “contaminant,” “hazardous materials” or “toxic substances,” under any Environmental Law, (ii) those substances listed in 49 C.F.R. 172.101 and in 40 C.F.R. Part 302; (iii) any material, waste or substance which is (A) petroleum, oil or a fraction thereof, (B) ACM, (C) polychlorinated biphenyls, (D) formaldehyde, (E) designated as a “hazardous substance” pursuant to 33 U.S.C. § 1321 or listed pursuant to 33 U.S.C. § 1317; (F) explosives or (G) radioactive materials (including naturally occurring radioactive materials); (iv) Solid Wastes that pose imminent and substantial endangerment to health or the environment; (v) any material, waste or substance designated, classified or regulated as a “hazardous material,” “hazardous substance,” “toxic substance” or as waste under Florida law or under any applicable regulation promulgated under any such laws; (vi) radon gas in an ambient air concentration exceeding four picocuries per liter (4 pCi/l); (vii) such other substances, materials, or wastes that are or become classified or regulated as hazardous or toxic under any applicable federal, state or local law or regulation; and (viii) any Underground Storage Tank. For the purposes of this definition, Hazardous Substances shall not include any substance of a nature, quantity or concentration that is customarily used, stored or disposed as part of or incidental to the operation and maintenance of the Property in the ordinary course of Mortgagor’s business currently conducted (or contemplated to be conducted following completion of construction of improvements, if applicable) at the Property so long as (x) such use, storage or disposal complies fully with applicable Environmental Laws and good and safe business practice and is conducted in a manner so as not to give rise to liability under applicable Environmental Laws or the common law relating to pollution, (y) any disposal takes place in accordance with applicable Environmental Laws at disposal facilities and locations other than the Property and which are fully permitted in accordance with Environmental Laws and (z) such use, storage or disposal does not require Mortgagor, any agent or employee of Mortgagor or any operator of the Property to have a hazardous waste generator identification number or any other Environmental Permit based primarily on or related primarily to the Hazardous Substance in question.

(k) “Mortgagee Indemnitees” means Mortgagee, any subsequent holder or owner of the Note or any interest in them, any affiliate, successor, assign or subsidiary of Mortgagee and each of their shareholders, directors, officers, employees, counsel, agents and contractors, as well as their respective heirs and personal and legal representatives.

(l) “RCRA” means the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et. seq.

(m) “Release” (or “released”) shall have the meaning specified in CERCLA.

(n) “Remediation” means any action necessary to ensure compliance with the Requirements of Environmental Law or to address liabilities arising under Environmental Law or the common law, including without limitation (i) the removal and disposal or containment (if containment is practical under the circumstances and is permissible within Requirements of Environmental Law) or monitoring of any and all Hazardous Substances at the Property; (ii) the taking of reasonably necessary precautions to protect against the release or threatened release of Hazardous Substances at, on, in, about, under, within or near the air, soil, surface water, groundwater or soil vapor at the Property or any public domain affected by the Property or any

surrounding areas thereof; (iii) any action necessary to mitigate the usurpation of wetlands, pinelands or other protected land or reclaim the same or to protect and preserve wildlife species; or (iv) any action necessary to meet the requirements of an Environmental Permit.

(o) “Requirements of Environmental Law” means all requirements, conditions, restrictions or stipulations of Environmental Laws imposed upon or related to Mortgagor, the Property and/or any operation conducted on the Property.

(p) “Solid Waste” shall have the meaning ascribed to it in RCRA.

(q) “Underground Storage Tank” shall have the meaning ascribed to it in RCRA.

Notwithstanding the foregoing, if any Environmental Law is amended so as to broaden the meaning of any term defined in it, such broader meaning shall apply subsequent to the effective date of such amendment. Where a defined term in this Article derives its meaning from a statutory reference, for the purposes of this Article any regulatory definition promulgated pursuant to the applicable statute shall be deemed to be applicable to the extent its definition is broader than the statutory reference and any reference or citation to a statute or regulation shall be deemed to include any amendments to that statute or regulation and judicial and administrative interpretations of it. To the extent that the laws or regulations of the State of Florida establish a meaning for a term defined in this Article through reference to federal Environmental Law that is broader than the meaning specified in such federal Environmental Law, such broader meaning set forth in the state Environmental Law shall apply. Any specific references to a law shall include any amendments to it promulgated from time to time.

Section 11.02 Environmental Representations and Warranties. Mortgagor represents and warrants that, except as disclosed by an Environmental Audit as of the date of this Mortgage:

(a) Presence of Hazardous Substances. There do not exist any Hazardous Substances on the Property except for household and commercial cleaners and chemicals used to maintain the Property, the use, storage and disposal of which are and have been in compliance with all Environmental Laws.

(b) On-site Release of Hazardous Substances. There has been no Release or, to the best of Mortgagor’s knowledge, threatened Release or disposal of Hazardous Substances that has occurred or is presently occurring on or, to the best of Mortgagor’s knowledge, onto the Property from any adjacent properties.

(c) Off-site Release of Hazardous Substances. There has been no Release or, to the best of Mortgagor’s knowledge, threatened Release or disposal of Hazardous Substances that has occurred or is presently occurring (i) on any tract neighboring the Property or (ii) off the Property as a result of any construction on or operation or use of the Property.

(d) Environmental Claims. There are no presently existing or, to the best of Mortgagor’s knowledge, threatened Environmental Claims.

(e) Compliance with Requirements of Environmental Law. There has been no failure by Mortgagor or, to the best of Mortgagor’s knowledge, any predecessor in interest to Mortgagor,

to comply with all applicable Requirements of Environmental Laws relating to Mortgagor, Mortgagor's operations, the Property and Mortgagor's generation, use, storage or disposal of any Hazardous Substance and Mortgagor is not aware of any facts or circumstances which could materially impair such compliance with all applicable Environmental Laws.

(f) Environmental Permits. Mortgagor is not currently and, to the best of Mortgagor's knowledge, no predecessor in interest to Mortgagor was, required to obtain any Environmental Permits to construct, demolish, renovate, occupy, operate or use any buildings, improvements, fixtures or equipment forming a part of the Property that have not been obtained and fully disclosed to Mortgagee.

(g) Disclosure to Governmental Authority. The present and, to the best of Mortgagor's knowledge, past uses of the Property satisfy all Requirements of Environmental Laws and Mortgagor is aware of no fact or circumstance which upon disclosure to any governmental authority would render this representation to be false or misleading in any respect.

(h) ACM, Underground Storage Tanks and Aboveground Storage Tanks. Except as disclosed to Mortgagee in writing, there is no ACM, Aboveground Storage Tank or Underground Storage Tank located on, in (including, with respect to ACM, within building materials) or about the Property nor has any ACM, Aboveground Storage Tank or Underground Storage Tank at any time been removed from the Property. Each Aboveground Storage Tank and Underground Storage Tank located on, in or about the Property has been registered with the State of Florida, if required by Environmental Laws, all registration/facility fees for each such Aboveground Storage Tank and Underground Storage Tank have been fully paid if required by Environmental Laws and any release or leak with respect to each such Aboveground Storage Tank and Underground Storage Tank has been reported to and confirmed by the State of Florida, if required by Environmental Laws.

(i) Notice of Environmental Claim. There are no liens affecting Mortgagor, the Property or, to the best of Mortgagor's knowledge, any real property contiguous to the Property arising out of or in connection with an Environmental Claim and Mortgagor has not received any summons, directive, citation, notice, letter or other communication, written or oral, from any governmental authority or any other person concerning any intentional or unintentional action or omission by Mortgagor or any other person which may result in an Environmental Claim or a breach of any Requirement of Environmental Law with regard to Mortgagor or the Property.

Section 11.03 Environmental Covenants. Mortgagor agrees and covenants as follows:

(a) Notice to Mortgagee. Mortgagor shall notify Mortgagee in writing within three (3) business days upon receipt by Mortgagor from any person of any inquiry, notice, claim, charge, cause of action or demand relating to Requirements of Environmental Laws or an Environmental Claim, including any notice of inspection or assertion of noncompliance with Requirements of Environmental Laws, stating the basis of such inquiry or notification. Mortgagor shall promptly deliver to Mortgagee any and all documentation or records as Mortgagee may request in connection with such notice or inquiry, and shall keep Mortgagee advised of any subsequent developments on a timely basis.

(b) Compliance with Permits. Mortgagor will obtain, comply with and properly maintain all Environmental Permits required for the Property and any operations conducted thereon.

(c) Compliance with Requirements of Environmental Laws. Mortgagor will not do or permit anything that will cause Mortgagor or the Property to be in violation of any Requirements of Environmental Laws, or do or permit anything to be done that might reasonably and foreseeably subject Mortgagor or the Property to any Remediation obligations that would materially and adversely affect the financial condition of Mortgagor or the value or marketability of the Property or to any enforcement actions under any Environmental Laws or any other Environmental Claim.

(d) Remediation. If any release of Hazardous Substances should exist or occur at the Property or if Mortgagor should be ordered or directed by any governmental authority or any other person to undertake Remediation of any Hazardous Substances at the Property or take any other action to satisfy Requirements of Environmental Law, Mortgagor, at no cost or expense to Mortgagee Indemnitees, shall comply with all Environmental Laws, conduct and complete all required sampling, testing and monitoring and undertake such Remediation promptly upon discovery or notice thereof and thereafter diligently and continuously pursue such Remediation, to a cleanup standard in accordance with applicable Environmental Law, completing each element, phase or stage of it within each applicable period established by any person, agency or bureau empowered to enforce any applicable Environmental Law (or if no such period or schedule is established, in accordance with a reasonable schedule consistent with prudent business practice taking into account potentially adverse effects to the environment and individuals' health and safety), but in any case before any lien is created on the Property. If Mortgagor undertakes any Remediation, or causes it to be undertaken, Mortgagor shall conduct and complete such Remediation (i) in compliance with Requirements of Environmental Laws, (ii) in accordance with the directives and orders of all appropriate federal, state and local governmental authorities and (iii) in accordance with sound business practice taking into account potentially adverse effects to the environment and individuals' health and safety.

(e) Prospective Obligations. If any Remediation fails to comply with Requirements of Environmental Laws because of changes to said Environmental Laws, Mortgagor shall promptly undertake such Remediation and other work as is necessary to comply with the then-current Environmental Laws in the manner set forth in this Section.

(f) Environmental Audits. (i) Prior to the occurrence and continuation of an Event of Default, upon Mortgagee's request, at any time and from time to time, Mortgagor will provide, at no cost or expense to Mortgagee Indemnitees, an Environmental Audit; provided, that unless required by any governmental authority, Mortgagee may not request more than one (1) Environmental Audit in any twelve (12) calendar month period. Any fundings remaining to be made of the Debt shall be expressly conditioned upon receipt and approval of the Environmental Audit and Mortgagee being reasonably satisfied that it has disclosed no fact or circumstance which causes Mortgagor to be in default under this Article. If Mortgagor fails to provide an Environmental Audit within thirty (30) days after Mortgagee's written request, Mortgagee may order one, and Mortgagor grants to Mortgagee and its agents, employees, contractors and consultants reasonable access to the Property and a license to perform such inspections and tests as are reasonable under the circumstances. At Mortgagee's option, the cost of such inspections



and tests actually incurred by Mortgagee shall be payable by Mortgagor to Mortgagee upon demand.

(ii) Upon the occurrence and continuation of an Event of Default, Mortgagee (by its officers, employees and agents) at any time, and from time to time, may contract for the services of consultants (the "Site Reviewers") to perform Environmental Audits. The Site Reviewers are authorized to enter upon all or any part of the Real Property to conduct Environmental Audits. The Site Reviewers are further authorized to perform both above and below the ground testing for environmental damage or the presence of Hazardous Substances and such other tests on the Real Property as the Site Reviewers and/or Mortgagee may deem necessary. Mortgagee shall not be responsible for any gross negligence or misconduct of any Site Reviewer. Mortgagor agrees to supply to the Site Reviewers such historical and operational information regarding the Real Property as may be reasonably requested to facilitate the Environmental Audits and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. The cost of performing Environmental Audits shall be paid by Mortgagor. Mortgagee shall not have a duty, however, to visit or observe the Real Property or to conduct tests, and no site visit, observation, or testing by the Site Reviewer engaged by it shall impose any liability Mortgagee. In no event shall any site visit, observation or testing by any Site Reviewer be a representation Mortgagee that Hazardous Substances are or are not present in, on or under the Real Property, or that there has been or shall be compliance with Environmental Laws. Mortgagee does not owe a duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Hazardous Substances or any other adverse condition affecting the Real Property. The Site Reviewer may, in its discretion, disclose to Mortgagor or any other party any report or findings made as a result of, or in connection with, any site visit, observation or testing by the Site Reviewer engaged by it. Mortgagor understands and agrees that Mortgagee may in its discretion disclose to Mortgagor or any other party any report or findings made as a result of, or in connection with, any site visit, observation or testing by the Site Reviewer engaged by it. Mortgagor understands and agrees that Mortgagee makes no representation or warranty to Mortgagor or any other party regarding the truth, accuracy, or completeness of any such report or findings that may be disclosed in an Environmental Audit. Mortgagor also understands that, depending on the results of Environmental Audits which are disclosed to Mortgagor, Mortgagor may have a legal obligation to notify one or more environmental agencies of the results and that such reporting requirements are site-specific. Mortgagee may disclose any Environmental Audit to potential buyers in connection with default proceedings hereunder and Mortgagor acknowledges that any such disclosure, depending upon the results of an Environmental Audit, may affect the amount of money that may be realized in such default proceedings.

(g) Asbestos Containing Materials. Mortgagor will not install any ACM or permit any ACM to be installed in or introduced onto the Property; and if any ACM exists in or on the Property, whether installed by Mortgagor or others, Mortgagor will, at no cost or expense to Mortgagee Indemnitees, remove it (or if removal is prohibited by law or in Mortgagor's reasonable judgment is impractical, take whatever action is required by law or reasonably necessary to mitigate adverse impact to the environment and individuals' health and safety, including encapsulation of the ACM or implementation of an operation and maintenance program).

Section 11.04 Environmental Indemnity Scope of Indemnity. MORTGAGOR HEREBY AGREES UNCONDITIONALLY, ABSOLUTELY AND IRREVOCABLY, TO INDEMNIFY,

DEFEND AND HOLD HARMLESS EACH MORTGAGEE INDEMNITEE FROM AND AGAINST ANY COSTS WHICH AT ANY TIME OR FROM TIME TO TIME MAY BE CLAIMED, SUFFERED OR INCURRED IN CONNECTION WITH ANY ENVIRONMENTAL CLAIM, THE PAST, PRESENT OR FUTURE VIOLATION OF ANY REQUIREMENTS OF ENVIRONMENTAL LAW OR ANY ENVIRONMENTAL PERMIT, THE BREACH OF ANY REPRESENTATION OR WARRANTY OF MORTGAGOR SET FORTH HEREIN OR THE FAILURE OF MORTGAGOR TO PERFORM ANY OBLIGATION HEREIN REQUIRED TO BE PERFORMED BY MORTGAGOR, INCLUDING WITHOUT LIMITATION ANY COSTS OR ENVIRONMENTAL CLAIMS BASED ON STRICT LIABILITY OR NEGLIGENCE, INCLUDING WITHOUT LIMITATION THOSE ARISING UNDER CERCLA OR ANALOGOUS STATUTES. SUCH INDEMNIFICATION OBLIGATIONS ARE HEREIN CALLED THE “ENVIRONMENTAL INDEMNIFICATIONS.”

(a) Survival of Indemnity. The Environmental Indemnifications and the other provisions of and undertakings set out in this Article shall survive foreclosure of this Mortgage or acceptance of the Property by Mortgagee in lieu of foreclosure, the payment of the Debt and satisfaction and release of this Mortgage and shall thereafter continue to be the personal liability, obligation and indemnification of Mortgagor, binding upon Mortgagor.

(b) Mortgagor’s Liability. Mortgagor’s liability under the Environmental Indemnification provisions contained in this Article shall accrue upon the earlier of an Environmental Claim being asserted against any Mortgagee Indemnitee or upon a Mortgagee Indemnitee’s receipt of written notice of any of the events specified in Section (a). In no event shall any Mortgagee Indemnitee be required to make any expenditure or bring any cause of action to enforce Mortgagor’s obligations and liability under and pursuant to the indemnifications set forth in this Article. In addition, actual threatened action by governmental authority is not a condition or prerequisite to Mortgagor’s obligations under this Agreement. Within five (5) days after notification from Mortgagee supported by reasonable documentation setting forth the nature of the Environmental Claim, Mortgagor, at no cost or expense to Mortgagee Indemnitees, shall diligently commence resolution of the Environmental Claim in a manner reasonably acceptable to Mortgagee and shall diligently and timely prosecute such resolution to completion. Provided, however, with respect to those claims that may be satisfied by payment of a liquidated sum of money, Mortgagor shall promptly pay the amount so claimed (to the extent supported by reasonable documentation); provided, however, Mortgagor shall have the right to withhold such payment to the extent it is lawfully disputing on Mortgagee Indemnitees’ behalf, Mortgagee Indemnitees’ liability or degree of liability in accordance with all laws. In the event such a dispute is unsuccessful, Mortgagor shall then promptly pay the sum demanded, plus all additional costs, judgments, expenses or claims arising out of Mortgagor’s dispute.

(c) Burden of Proof. Notwithstanding any provision contained to the contrary in this Mortgage, the Loan Agreement or any of the other Loan Documents, Mortgagor shall bear the burden of proof by preponderance of the evidence that the indemnification contained in this Article is inapplicable to any claim or assertion made hereunder.

(d) Inconsistent Provisions. The provisions of this Article shall govern and control over any inconsistent provision of the Loan Agreement or the Loan Documents, including any exculpatory or non-recourse provisions contained in any of them.

(e) Payment of Attorneys' Fees. If at any time any Mortgagee Indemnatee employs counsel for advice or other representation (i) with respect to this Article; (ii) except as otherwise expressly provided herein, to represent any such Mortgagee Indemnatee in any litigation, contest, dispute, suit or proceeding (whether instituted by a Mortgagee Indemnatee, Mortgagor or any other party) in any way or respect relating to this Article; (iii) to evaluate the existence of an Environmental Claim hereunder; (iv) to defend an Environmental Claim or (v) to enforce Mortgagor's obligations hereunder, then and in any of such events, all of such Mortgagee Indemnatee's reasonable attorneys' fees and expenses arising from such services and all expenses, costs and charges in any way or respect arising in connection therewith or relating thereto shall be paid by Mortgagor to Mortgagee on demand.

(f) Appointment of Counsel. If any Environmental Claim shall be brought against any Mortgagee Indemnatee, then after notification to Mortgagor thereof as provided in Section (c), Mortgagor shall be entitled to participate in all related proceedings and negotiations and to assume the defense thereof at the expense of Mortgagor with counsel reasonably acceptable to Mortgagee and to settle and compromise any such claim or action; provided, that Mortgagee may elect to be represented by separate counsel, at Mortgagor's expense, and if Mortgagee so elects, any settlement or compromise shall be effected only with the written consent of Mortgagee, which consent shall not be unreasonably withheld. Mortgagor's right to participate in the defense or response to any Environmental Claim should not be deemed to limit or otherwise modify its obligations under this Article.

(g) Payment on Demand. Mortgagor shall make any payment required to be made under this Article on demand.

(h) Interest on Indemnified Sums. Any Costs and other payments required to be paid by Mortgagor under this Article which are not paid within five (5) business days of receipt by Mortgagor of Mortgagee's demand therefor shall thereafter be deemed "Delinquent." In addition to all other rights and remedies of Mortgagee against Mortgagor provided herein, under the Loan Agreement and the other Loan Documents or under any applicable law, Mortgagor shall pay to Mortgagee immediately upon demand interest at the Past Due Rate from the date such payment becomes Delinquent to the date of payment of such Delinquent sums.

(i) Subrogation of Indemnity Rights. Mortgagee shall be subrogated to any rights Mortgagor may have under any indemnifications from any present, future or former owners, tenants or other occupants or users of the Property or any other person relating to the matters covered by this Article.

(j) Merger, Consolidation or Sale of Assets. Without limiting any other provision of this Mortgage, in the event of a dissolution of Mortgagor or the disposition of all or substantially all of Mortgagor's assets to one or more persons or entities, the surviving entity or transferee of assets as the case may be shall deliver to Mortgagee an acknowledged instrument in recordable form specifically assuming all obligations, covenants and responsibilities of Mortgagor under this Article.

(k) Survival of Provisions. The representations, warranties and covenants and indemnities of Mortgagor set forth in this Article shall continue in effect and, to the extent

permitted by law, shall survive the transfer of the Property pursuant to foreclosure proceedings (whether judicial or nonjudicial), by deed in lieu of foreclosure or otherwise. Mortgagor acknowledges and agrees that its covenants and obligations under this Article are separate and distinct from its other obligations under the Loan Agreement and the other Loan Documents.

Section 11.05 Reserved.

*[Signatures on Following Page]*

EXECUTED effective as of \_\_\_\_\_, 2022.

WITNESSES:

By: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_

MORTGAGOR:

IPS ENTERPRISES, INC., a Texas nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of IPS ENTERPRISES, INC., a Texas nonprofit corporation, on behalf of the nonprofit corporation.

[SEAL]

Print Name of Notary: \_\_\_\_\_

Personally Known: \_\_\_\_\_  
Produced Identification: \_\_\_\_\_  
Type of Identification Produced: \_\_\_\_\_

**EXHIBIT A**

**Real Property Description**

[TO BE INSERTED]

## **EXHIBIT B**

### **Subject Leases**

[NONE]

## **EXHIBIT C**

### **Leased Property Description**

[NONE]



## **EXHIBIT D**

### **Permitted Encumbrances**

All those liens and encumbrances set forth in that certain ALTA Loan Policy of Title Insurance issued by First American Title Insurance Company for the benefit of Mortgagee with respect to this Mortgage in effect as of the date hereof and as amended from time to time with the consent of Mortgagee.

Prepared by and when recorded return to:

Kutak Rock LLP  
1650 Farnam Street  
Omaha, Nebraska 68102  
Attn: B. Hans Ipson, Esq.

To be recorded in the Land Records  
of Hillsborough County, Florida

## SUBORDINATION AND SUPERIOR MORTGAGEE'S AGREEMENT

THIS SUBORDINATION AND SUPERIOR MORTGAGEE'S AGREEMENT (this "**Agreement**") is entered into this [\_\_\_\_\_] day of [\_\_\_\_\_] 2022, by and among CLI CAPITAL, a Texas real estate investment trust ("**Senior Lender**"), FLORIDA DEPARTMENT OF EDUCATION (the "**Subordinate Lender**"), and IPS ENTERPRISES, INC., a Texas nonprofit corporation ("**Borrower**").

### RECITALS:

A. Borrower has applied to Senior Lender for a loan in the original principal amount of [Eighteen Million and 00/100 Dollars (\$18,000,000.00)] (the "**Senior Loan**"), pursuant to the terms of that certain Loan Agreement dated on or about [\_\_\_\_\_] 2022 (the "**Senior Loan Agreement**"), as evidenced by that certain Real Estate Lien Note, dated on or about [\_\_\_\_\_] 2022 and made by Borrower in favor of Senior Lender (the "**Senior Note**"), and secured by that certain first priority Mortgage, dated on or about [\_\_\_\_\_] 2022 and made by Borrower in favor of Senior Lender (the "**Senior Mortgage**") and, together with the Senior Loan Agreement, the Senior Note and any other document evidencing or securing the Senior Loan, the "**Senior Lender Loan Documents**").

B. Borrower has applied to Subordinate Lender for a loan in the original principal amount of [Eight Million Six Hundred Seventy-Three Thousand Five Hundred Thirty-Five and 00/100 Dollars (\$8,673,535)] (the "**Subordinate Loan**"), pursuant to the terms of that certain Loan Agreement dated as of the date hereof (the "**Subordinate Loan Agreement**"), as evidenced by that certain Note, dated as of the date hereof and made by Borrower in favor of Subordinate Lender (the "**Subordinate Note**"), and secured by that certain second priority Second Lien Mortgage and Security Agreement (With Assignment of Rents and Leases), dated as of the date hereof and made by Borrower in favor of Subordinate Lender (the "**Subordinate Mortgage**") and, together with the Subordinate Loan Agreement, the Subordinate Note and any other document evidencing or securing the Subordinate Loan, the "**Subordinate Lender Loan Documents**").

C. The proceeds of the Senior Loan and the Subordinate Loan are proposed to be used for the purposes of acquiring, constructing, equipping and financing educational facilities at or about Lennox Avenue and Lane Avenue, in Jacksonville, Florida, as more particularly described on Exhibit A attached hereto and made a part hereof (collectively, the "**Project**").

NOW THEREFORE, in consideration of the above-referenced loans and for other good and valuable consideration, Senior Lender, Subordinate Lender and Borrower agree as follows:

1. Senior Lender hereby consents to the existence of the Subordinate Mortgage and agrees that the execution and recordation of the Subordinate Mortgage by Borrower does not constitute an event of default

under the Senior Lender Loan Documents, despite any prohibitions therein, which prohibitions, if any, are hereby waived.

2. Subordinate Lender hereby:

(a) consents to the existence of the Senior Mortgage and agrees that the execution and recordation of the Senior Mortgage by Borrower does not constitute an event of default under the Subordinate Lender Loan Documents, despite any prohibitions therein, which prohibitions, if any, are hereby waived; and

(b) covenants and agrees that the Subordinate Lender Loan Documents shall be subject and subordinate to the lien, terms, covenants and conditions of the Senior Lender Loan Documents and to all advances heretofore made or which hereafter may be made pursuant to the Senior Lender Loan Documents (including, but not limited to, all sums advanced for the purpose of protecting or further securing the lien thereof or for any other purpose expressly permitted pursuant to the Senior Lender Mortgage and this Agreement) and all advances, extensions, renewals, modifications, replacements, consolidations or substitutions thereof (individually, a "**Modification**"). Any Modification may be made without the consent of Subordinate Lender, except for a Modification which (i) increases the interest rate applicable to any portion of the Senior Loan; (ii) increases the principal amount of the Senior Loan (except for additional advances expressly permitted by the provisions of this Agreement and the Senior Lender Loan Documents); (iii) shortens the scheduled maturity date or due date of any payment of the Senior Loan; or (iv) except in connection with the good faith amendment of covenants to prevent or cure defaults, makes the terms and conditions of the Senior Lender Loan Documents, taken as a whole, materially more restrictive with respect to Borrower than such terms and conditions as in effect on the date of this Agreement or otherwise materially adversely affects the Subordinate Loan, which Modification shall require the prior written consent of Subordinate Lender.

3. Senior Lender represents and warrants that as of the date hereof: (a) Borrower's obligations and payments currently due under the Senior Lender Loan Documents are satisfied; (b) no event or action has occurred which, except for the passage of time or due notice or both, would constitute a default under the Senior Lender Loan Documents; and (c) the Senior Lender Loan Documents and any other related loan documents are unamended and are in full force and effect.

4. Subordinate Lender represents and warrants that as of the date hereof: (a) Borrower's obligations and payments currently due under the Subordinate Lender Loan Documents are satisfied; (b) no event or action has occurred which, except for the passage of time or due notice or both, would constitute a default under the Subordinate Lender Loan Documents; and (c) the Subordinate Lender Loan Documents and any related loan documents are unamended and are in full force and effect.

5. Senior Lender agrees: (a) to give prompt written notice to Subordinate Lender of any events of default under the Senior Lender Loan Documents; (b) to give prompt written notice to Subordinate Lender of events or actions which, except for due notice or the passage of time or both, would constitute a default under the Senior Lender Loan Documents; (c) to give prompt written notice to Subordinate Lender before Senior Lender reaches any agreement with Borrower which materially affects the terms and conditions of the Senior Lender Loan Documents; and (d) to give prompt written notice to Subordinate Lender of any assignment of the Senior Lender Loan Documents.

6. Subordinate Lender agrees: (a) to give prompt written notice to Senior Lender of any events of default under the Subordinate Lender Loan Documents; (b) to give prompt written notice to Senior Lender of events or actions which, except for due notice or the passage of time or both, would constitute a default under the Subordinate Lender Loan Documents; (c) to give prompt written notice to Senior Lender before Subordinate Lender reaches any agreement with Borrower which materially affects the terms and conditions of the Subordinate Lender Loan Documents; and (d) to give prompt written notice to Senior Lender of any assignment of the Subordinate Lender Loan Documents.

7. Subordinate Lender shall deliver written notice to Senior Lender within five (5) business days in each case where Subordinate Lender has given a default notice to Borrower pursuant to the Subordinate Lender Loan Documents. Senior Lender shall have the right, but not the obligation, to cure any such default within sixty (60) days following the date of such notice; provided, however that Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Lender Loan Documents to the extent permitted hereunder. All amounts paid by Senior Lender in accordance with the Senior Lender Loan Documents to cure a default under the Subordinate Lender Loan Documents shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by the lien of, the Senior Mortgage. If a default occurs and is continuing under the Subordinate Lender Loan Documents, Subordinate Lender agrees that, during the period commencing on the date such default first occurs and ending on the date ninety (90) days after delivery to Senior Lender of written notice of such default, without Senior Lender's prior written consent, Subordinate Lender will not commence foreclosure proceedings with respect to the Project, collect rents, or appoint (or seek the appointment of) a receiver; provided, however, that Subordinate Lender shall be entitled to immediately exercise and enforce all other rights and remedies available to Subordinate Lender under the Subordinate Lender Loan Documents. Borrower and Subordinate Lender agree that a default under the Subordinate Lender Loan Documents shall constitute a default under the Senior Lender Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Lender Loan Documents in the same manner as in the case of any other default under the Senior Lender Loan Documents. If Subordinate Lender notifies Senior Lender in writing that any default under the Subordinate Lender Loan Documents of which Senior Lender has received a notice of default has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Project pursuant to its rights under the Senior Lender Loan Documents, any default under the Senior Lender Loan Documents arising solely from such default under the Subordinate Lender Loan Documents shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that Senior Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Senior Lender during such default under the Senior Lender Loan Documents.

8. Senior Lender shall deliver written notice to Subordinate Lender within five (5) business days in each case where Senior Lender has given a default notice to Borrower pursuant to the Senior Lender Loan Documents. Subordinate Lender shall have the right, but not the obligation, to cure any such default under the Senior Lender Loan Documents. Subordinate Lender may have up to thirty (30) days from the date of its receipt of the applicable notice of default to cure any monetary default under the Senior Lender Loan Documents. Subordinate Lender may have up to ninety (90) days from the date of its receipt of the applicable notice of default to cure a non-monetary default if during such 90-day period Subordinate Lender keeps current all payments required by the Senior Lender Loan Documents. Senior Lender will not commence foreclosure proceedings with respect to the Project or appoint (or seek the appointment of) a receiver until the cure periods afforded Subordinate Lender hereunder have lapsed and the applicable default remains uncured.

All amounts paid by Subordinate Lender to cure a default under the Senior Lender Loan Documents shall be deemed to have been advanced by Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Mortgage. Borrower and Senior Lender agree that a default under the Senior Lender Loan Documents shall constitute a default under the Subordinate Lender Loan Documents and Subordinate Lender shall have the right to exercise all rights or remedies under the Subordinate Lender Loan Documents in the same manner as in the case of any other default under the Subordinate Lender Loan Documents. If Senior Lender notifies Subordinate Lender in writing that any default under the Senior Lender Loan Documents of which Subordinate Lender has received a notice of default has been cured or waived, as determined by Senior Lender in its sole discretion, then provided that Subordinate Lender has not conducted a sale of the Project pursuant to its rights under the Subordinate Lender Loan Documents, any default under the Subordinate Lender Loan Documents arising solely from such default under the Senior Lender Loan Documents shall be deemed cured, and the Subordinate Loan shall be reinstated, provided, however, that Subordinate Lender shall not be required to return or otherwise credit for the benefit of Borrower any default rate interest or other default related charges or payments received by Subordinate Lender during such default under the Subordinate Lender Loan Documents.

9. Until Subordinate Lender receives written notice from Senior Lender of a default under the Senior Lender Loan Documents, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Lender Loan Documents. Subordinate Lender agrees that, after it receives written notice from Senior Lender of a default under the Senior Lender Loan Documents with written instructions directing Subordinate Lender not to accept payments from Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Lender Loan Documents without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the default under the Senior Lender Loan Documents which gave rise to Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 9 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new notice of default from Senior Lender in accordance with the provisions of this Section 9. If, after Subordinate Lender receives written notice from Senior Lender of a default under the Senior Lender Loan Documents in accordance with the terms hereof, Subordinate Lender receives any payments under the Subordinate Lender Loan Documents, Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender and unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted, in kind to Senior Lender, properly endorsed to Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Lender Loan Documents in accordance with the provisions thereof. By executing this Agreement, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender, and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender, and remitted to Senior Lender under this Section 9, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any default under the Subordinate Lender Loan Documents which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

10. Borrower, Subordinate Lender and Senior Lender agree that, in the event of any conflict or inconsistency between the terms of the Senior Lender Loan Documents or the Subordinate Lender Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of Senior Lender and Subordinate Lender in

the Project; (b) the timing of the exercise of remedies by Senior Lender and Subordinate Lender, as applicable, under the Senior Mortgage and the Subordinate Mortgage, respectively; and (c) solely as among Senior Lender and Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which such parties have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any default under the Senior Lender Loan Documents or the Subordinate Lender Loan Documents, as the case may be; give Borrower the right to notice of any default under the Senior Lender Loan Documents or the Subordinate Lender Loan Documents, as the case may be other than that, if any, provided, respectively under the Senior Lender Loan Documents and the Subordinate Lender Loan Documents; or create any other right or benefit for Borrower as against either Senior Lender or Subordinate Lender.

11. Senior Lender shall give Subordinate Lender written notice of any proposed foreclosure sale pursuant to Florida law. Subordinate Lender shall give Senior Lender written notice of any proposed foreclosure sale pursuant to Florida law.

12. Senior Lender, Subordinate Lender and Borrower hereby acknowledge and agree that:

(a) The Senior Lender Loan Documents shall constitute a first lien on the Project and other collateral described therein, and the Subordinate Lender Loan Documents shall constitute a second and subordinate lien on the Project and other collateral described therein. The order of lien priority set forth in this Section 12(a) shall govern not only the distribution of proceeds of any sale, transfer or other liquidation of any collateral, whether by foreclosure or otherwise and any and all rents and other profits attributable to the collateral, but also the distribution of proceeds from any casualty or other insurance covering all or any portion of the collateral and any and all condemnation awards relating to all or any portion of the collateral (collectively, the "**Proceeds**").

(b) Senior Lender and Subordinate Lender shall have joint control of any Proceeds. If Senior Lender and Subordinate Lender jointly agree that the Proceeds shall be applied to restore the Project, such Proceeds will be made payable solely to Senior Lender and then disbursed, as construction draws, to Borrower for restoration in accordance with the plans and specifications approved by Senior Lender and Subordinate Lender. If Senior Lender and Subordinate Lender jointly agree not to apply the Proceeds to the restoration of the Project, such Proceeds will be made payable jointly to Senior Lender and Subordinate Lender, and then distributed, to the extent such Proceeds are available, according to the lien priorities set forth in Section 12(a) above. If Senior Lender and Subordinate Lender do not agree on whether to apply the Proceeds to restoration of the Project or to repayment of the Senior Loan and the Subordinate Loan according to the lien priorities set forth in Section 12(a) above, then the party desiring to apply the Proceeds to restoration shall have the right upon ten (10) business days' notice to the other party to purchase at par the Loan of the party electing not to apply the Proceeds to restoration, and to receive an assignment of the selling party's right to the Proceeds; and failing any such purchase, the Proceeds shall be applied as provided for in Section 12(a) hereof.

13. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by depositing same in United States mail, postage prepaid, registered or certified mail, return receipt requested, or by overnight courier services, addressed as follows:

Subordinate Lender's Address: Florida Department of Education  
Turlington Building  
325 West Gaines Street  
Tallahassee, Florida 32399  
Attention: Adam Emerson, Charter School Director

With Copy To: Building Hope Finance  
1776 Eye Street, NW, Suite 200  
Washington, DC 20006  
Attention: Robin Odland, President

Senior Lender's Address: CLI Capital  
905 S. Polk Street  
Amarillo, Texas 79101  
Attention: Jason Hall

Borrower: IPS Enterprises, Inc.  
9555 W. Sam Houston Parkway South, Suite 200  
Houston, Texas 77099  
Attention: Chief Executive Officer

All notices, demands and requests shall be effective upon such personal delivery or upon being deposited in the United States mail as required above. However, with respect to notices, demands or requests so deposited in the United States mail, the time period in which a response to any such notice, demand or request must be given shall commence to run from the date on the return receipt of the notice, demand or request reflecting the date of delivery or rejection of the same by the addressee thereof. Rejection or other refusal to accept, or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, demand or request sent. By giving to the other party at least fifteen (15) days written notice thereof, the parties hereto shall have the right from time to time to change their respective addresses and each shall have the right to specify as its address any other address within the United States of America.

14. This Agreement sets forth the complete understanding among the parties with respect to the subject matter of this Agreement and replaces all prior correspondence and understandings written or oral concerning it.

15. If either Senior Lender or Subordinate Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting party shall have the right to all available legal and equitable relief.

16. This Agreement shall be binding upon Borrower, Senior Lender and Subordinate Lender, and shall inure to the benefit of the respective legal successors and assigns thereof.

17. Senior Lender's permission for the placement of the Subordinate Lender Loan Documents does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. Neither Senior Lender nor Subordinate Lender shall hold itself out as a partner, agent or affiliate of the other party hereto.

18. This Agreement shall not be amended except by written instrument signed by all parties

hereto.

19. This Agreement shall be governed by the laws of the State in which the Project is located.

20. If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

21. The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Lender Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Lender Loan Documents, other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 9 hereof; (iii) the acquisition by Senior Lender of title to the Project pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Mortgage; or (iv) the acquisition by Subordinate Lender of title to the Project pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Mortgage, but only if such acquisition of title does not violate any of the terms of this Agreement.

22. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

23. The following documents are attached as exhibits hereto and are incorporated by reference herein:

Exhibit A: Land Description

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]



IN WITNESS WHEREOF, the signatures and seals of the parties hereto are subscribed to the foregoing instrument the day and year first written above with the specific intention of creating a document under seal.

Signed and delivered  
in the presence of:

SENIOR LENDER:

CLI CAPITAL, a Texas real estate investment trust

\_\_\_\_\_  
Print Name:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Print Name:

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of said entity.  
He/She is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

Signed and delivered  
in the presence of:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

SUBORDINATE LENDER:

FLORIDA DEPARTMENT OF EDUCATION

By: Building Hope Finance, Loan Administrator  
and authorized signatory on behalf of the  
Florida Department of Education

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of Building Hope Finance, Loan Administrator and authorized signatory on behalf of the Florida Department of Education, on behalf of said entity. He is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

Signed and delivered  
in the presence of:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

BORROWER:

IPS ENTERPRISES, INC., a Texas nonprofit  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022,  
by \_\_\_\_\_, as \_\_\_\_\_ of said entity.  
He/She is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

**Legal Description**

[TO BE INSERTED]

## MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made and entered into to be effective as of March 29, 2022 (the "Effective Date") by and between IPS ENTERPRISES, INC., a Texas nonprofit corporation ("Landlord") and IDEA FLORIDA, INC., a Florida non-profit corporation ("Tenant"), to place of record a summary of certain terms contained in that certain Lease Agreement dated as of the Effective Date (herein called the "Lease"), by and between Landlord and Tenant, which covers and affects that certain tract of real property, together with all improvements situated thereon, located in Hillsborough County, Florida, which tract is more particularly described in **Exhibit A** attached hereto and made a part hereof by this reference for all purposes (herein collectively, the "Leased Premises"). For complete terms and provisions of said Lease, reference is here made to same to incorporate them into this Memorandum of Lease the same as if set forth herein in its entirety.

Presented below are certain provisions of the Lease. All other terms, conditions and provisions of the Lease are incorporated herein by this reference.

1. Address of Landlord: 2115 W. Pike Blvd., Weslaco, Texas 78596.
2. Address of Tenant: 4651 Salisbury Road, Suite 418, Jacksonville, Florida 32256.
3. Term: The Primary Term of the Lease commences on the Tenant Effective Date (as defined in the Lease) and ends 5 years thereafter. Subject to the provisions of the Lease, the Lease may be renewed for two additional terms of five years each.
4. Purchase Option: Tenant has the right to purchase the Leased Premises, exercisable as provided in the Lease Agreement.

This Memorandum of Lease shall serve as notice to third parties that Landlord and Tenant have executed the Lease. The provisions of the Lease: (a) are binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, administrators, executors, successors and assigns, and (b) run with the land and are binding upon and inure to the benefit of the respective owners from time to time of the Leased Premises, as the case may be.

Nothing contained in this Memorandum of Lease shall be deemed or construed to amend, modify, change, alter, amplify, interpret or supersede any of the terms, provisions or conditions of the Lease and in the event the terms of this Memorandum of Lease and the Lease conflict, the terms of the Lease shall control.

This Memorandum of Lease may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(Remainder of page intentionally left blank.)

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be duly executed on the dates of the respective acknowledgments set forth below to be EFFECTIVE for all purposes as of the Effective Date, for the purpose of providing record notice of the Lease.

Landlord:

IPS ENTERPRISES, INC.,  
a Texas nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF TEXAS

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared Leanne Hernandez, the Chief Financial Officer of IPS ENTERPRISES, INC., a Texas nonprofit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

Printed Name of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

After recording return to:

Hunton Andrews Kurth LLP  
600 Travis, Suite 4200  
Houston, Texas 77002  
Attn: Thomas A. Sage

Tenant:

IDEA FLORIDA, INC.,  
a Florida non-profit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF FLORIDA

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, the  
\_\_\_\_\_ of IDEA Florida, Inc., a Florida non-profit corporation, known to me to be the person and  
officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same  
for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Notary Public in and for  
the State of \_\_\_\_\_

\_\_\_\_\_  
Printed Name of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

## Exhibit A

### LEGAL DESCRIPTION

The Land referred to herein below is situated in the County of Hillsborough, State of Florida, and is described as follows:

THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 20 EAST, AS RECORDED IN THE PUBLIC RECORDS OF HILLSBOROUGH COUNTY, FLORIDA.

The Land referred to herein below is situated in the County of Hillsborough, State of Florida, and is described as follows:

A TRACT OF LAND LOCATED IN THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 20 EAST, HILLSBOROUGH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 16; THENCE ALONG THE WEST BOUNDARY OF THE NORTHWEST 1/4 OF SAID SECTION 16, S. 00°12'09" E., 1325.47 FEET TO THE NORTH BOUNDARY OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE ALONG SAID NORTH BOUNDARY, S. 89°49'15" E., 494.11 FEET TO THE WEST BOUNDARY OF THE EAST 800 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 16; THENCE ALONG SAID WEST BOUNDARY, S. 00°18'23" E., 14.08 FEET TO THE SOUTH MAINTAINED RIGHT OF WAY OF SKEWLEE ROAD AND THE POINT OF BEGINNING, THENCE ALONG SAID SOUTH RIGHT OF WAY THE FOLLOWING SIX (6) COURSES: 1) N. 86°14'00" E., 65.31 FEET; 2) S.89°25'08" E., 94.81 FEET; 3) S.89°30'33" E., 94.16 FEET; 4) S.89°44'10" E., 89.38 FEET; 5) S.89°36'16" E., 96.91 FEET; 6) S.86°06'43" E., 60.38 FEET TO THE WEST BOUNDARY OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 16; THENCE ALONG SAID WEST BOUNDARY, S.00°09'24" E., 317.30 FEET TO THE SOUTH BOUNDARY OF SAID NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°45'26" E., 315.63 FEET TO THE WEST MAINTAINED RIGHT OF WAY OF HART POND ROAD; THENCE ALONG SAID WEST RIGHT OF WAY THE FOLLOWING FIVE (5) COURSES: 1) S.00°13'17" W., 3.69 FEET; 2) S.00°20'42" W., 99.95 FEET; 3) S.01°10'43" E., 29.99 FEET; 4) S.00°23'22" W., 66.07 FEET; 5) S.00°05'03" E., 273.73 FEET TO THE NORTH BOUNDARY OF THE SOUTH 528 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 AFORESAID SECTION 16; THENCE ALONG SAID NORTH BOUNDARY, N. 89°33'59" W., 812.92 FEET TO THE WEST BOUNDARY OF THE EAST 800 FEET OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 16, THENCE ALONG SAID WEST BOUNDARY N. 00°18'23" W., 788.57 FEET TO THE POINT OF BEGINNING. LESS AND EXCEPT HILLSBOROUGH COUNTY MAINTAINED RIGHT OF WAY.



RESOLUTION OF THE BOARD OF DIRECTORS OF IPS ENTERPRISES, INC.  
AUTHORIZING BORROWING ON A SENIOR OR SUBORDINATE BASIS IN  
ONE OR MORE LOANS TO PURCHASE LAND FOR EDUCATIONAL  
FACILITIES AT THE IDEA FLORIDA, INC. CAMPUS (TAMPA III) AND TO  
LEASE SUCH FACILITIES TO IDEA FLORIDA, INC. AND CONTAINING  
OTHER RELATED MATTERS

WHEREAS, the Board of Directors (the "Board") of IPS Enterprises, Inc. (the "Company") desires to approve and authorize participation in one or more senior and/or subordinate financings (collectively, the "Tampa III Financing") in an aggregate principal amount not to exceed \$30,000,000;

WHEREAS, the proceeds of the Tampa III Financing will be used for the purpose of (i) acquiring, constructing, equipping, financing, and refinancing educational facilities located at or about 9839 Skewlee Road, Thonotosassa, Florida 33592 (the "Tampa III Property") to be leased to IDEA Florida, Inc. (the "School") pursuant to a Lease Agreement (the "Lease") and (ii) paying certain costs of professional services associated therewith (the "Tampa III Project");

WHEREAS, the Board desires to enter into a senior and subordinate mortgage (collectively the "Mortgage") with the Lenders (as hereinafter defined) to be secured by the Tampa III Property;

WHEREAS, the loans will be issued pursuant to one or more loan agreements (each, a "Loan Agreement", and collectively, the "Loan Agreements") by and among the Company and CLI Capital (the "Senior Lender"), the Company and the Florida Department of Education (the "Subordinate Lender"), and if necessary, any other lender as selected by the Authorized Representative on a senior or subordinate basis (collectively with Senior Lender and Subordinate Lender, the "Lenders");

WHEREAS, the Board now desires to enter into the Lease with the School to facilitate the construction of the Tampa III Project;

WHEREAS, the School desires to enter the Lease with the Company to facilitate the construction of the Tampa III Project and to obtain the right to use and occupy the Tampa III Property upon completion; and

WHEREAS, the Company is willing to enter into the Lease on the terms and conditions set forth in the Lease;

WHEREAS, the Board now desires to (i) approve the Tampa III Financing, (ii) authorize the execution, delivery, and performance by the Company of the Lease, the Mortgage, the Loan Agreements and promissory notes, and all other related documents necessary or appropriate in connection with the financing and the Tampa III Project (collectively, the "Tampa III Transaction Documents"), (iii) delegate the authority to effect the Tampa III Financing to Al Lopez - Chief Executive Officer, Leanne Hernandez - Chief Financial Officer and Jazmine Leon-Wing - Vice President of Treasury of the Company, whether in these positions or any future positions that the Board may hereafter appoint the aforementioned officers (the "Authorized Representatives" and each an "Authorized Representative"), and (iv) take and authorize certain other actions in connection with the foregoing;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF IPS ENTERPRISES, INC. as follows:

Section 1. The recitals to this Resolution are hereby approved and incorporated herein for all purposes, including the defined terms contained therein.

Section 2. The Board hereby authorizes the Tampa III Financing in an aggregate principal amount not to exceed \$30,000,000 for the purpose of paying the costs of the Tampa III Project and certain costs of professional services associated therewith.

Section 3. The Board does hereby approve the forms, terms, and provisions of and the execution and delivery of the Tampa III Transaction Documents, with such changes as the Authorized Representatives, shall approve and such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Representative.

Section 4. The Board hereby authorizes the Authorized Representative to take all actions and approve the form, terms, and provisions of and to execute and deliver or certify to the Company's approval of the Tampa III Transaction Documents on behalf of the Company as they may deem necessary or desirable (as conclusively evidenced by the taking of such action or the execution and delivery of such agreements, instruments, or other documents by the Authorized Representative) in connection with the Tampa III Financing or in order to effectuate the further purposes of any of this Resolution, including without limitation those documents specifically described in this Resolution.

Section 5. All acts of the Authorized Representatives authorized and directed herein are reasonably expected to benefit the Company directly or indirectly.

Section 6. Upon execution and delivery, the Tampa III Transaction Documents shall be the valid and binding obligations of the Company enforceable in accordance with their terms.


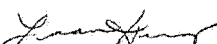
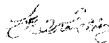
Section 7. All acts, transactions, or agreements undertaken prior to the adoption of this Resolution by the officers and employees of the Company in the Company's name or for its account in connection with the foregoing matters, are hereby ratified, confirmed, and adopted by the Board.

*[Signature page follows]*

## CERTIFICATE OF THE SECRETARY

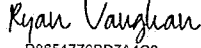
1. The undersigned, as the duly elected Secretary of the Board of the Company, certifies that the foregoing Resolution was duly adopted by the Board of the Company at a meeting held on October 22, 2021 at which a quorum was present.

2. I hereby certify that, pursuant to the terms of the Resolution, the following are the duly appointed, qualified and serving Authorized Representatives of the Company holding the offices specified, as of the date hereof and that the signature set out opposite the name of each officer is the genuine signature of such person, to-wit:

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Al Lopez	Chief Executive Officer	<div>DocuSigned by:  F761BFA9DE6430</div>
Leanne Hernandez	Chief Financial Officer	<div>DocuSigned by:  DC3B6390B4E8486</div>
Jazmine Leon-Wing	Vice President of Treasury	<div>DocuSigned by:  A829BF0BD6954F2</div>

*[execution page follows]*

IN WITNESS WHEREOF, I have hereto set my hand this 22nd day of October, 2021.

By:   
DocuSigned by:  
D86517768BD7A4C2  
Secretary, Board of Directors  
IPS Enterprises, Inc.

**FLORIDA DEPARTMENT OF EDUCATION**

\$[ ]  
**SCHOOL OF HOPE LOAN**  
**IPS Enterprises, Inc.**

**CLOSING CERTIFICATE OF THE BORROWER**

Dated: [ ], 2022

The undersigned officer of IPS Enterprises, Inc., a Texas nonprofit corporation (the “Borrower”), hereby represents, warrants and certifies as follows:

1. This certificate (this “Certificate”) is made in connection with the loan in the amount of \$[ ] (the “Loan”) to be made by the Florida Department of Education (the “State”) to the Borrower pursuant to that certain Loan Agreement (the “Loan Agreement”) dated as of [ ], 2022, by and between the State and the Borrower and acknowledged by IDEA Florida, Inc., a Florida nonprofit corporation (the “Lessee”).
2. The undersigned is the duly authorized representative of the Borrower.
3. In the course of the undersigned’s duties with Borrower, the undersigned is familiar with, or has made inquiry of those personnel of the Borrower who are in a position to be familiar with, the factual matters addressed by this Certificate.
4. The performance by the Borrower of its obligations under all documents to be executed and delivered by the Borrower on the date hereof or to which it is otherwise bound in connection with the Loan including (but not limited to) the documents and instruments listed below (collectively, the “Borrower Documents”) have been duly executed and delivered by the Borrower, in the name and on behalf of the Borrower, pursuant to and in full compliance with the authority granted by the Board of Directors of the Borrower and the Resolutions, have not been amended, modified, or rescinded as of the date hereof, will not violate or contravene, or constitute a default under, to the undersigned’s knowledge after due inquiry, any existing material contract, agreement or instrument to which Borrower is a party or by which it or its properties is otherwise subject or bound.

<u>DOCUMENT</u>	<u>DATED DATE</u>	<u>PARTIES</u>
Loan Agreement	[ ], 2022	Borrower, State and Lessee
Promissory Note	[ ], 2022	Borrower
Lease Agreement	[ ], 2022	Borrower and Lessee
Management Agreement	January 1, 2020	IDEA, Lessee

5. No proceeding for the dissolution, merger, consolidation or liquidation of the Borrower or for the sale or all or substantially all of its assets in a single transaction or a related series of transaction is pending or, to the knowledge of the undersigned, threatened, and no such proceeding is contemplated by the Borrower.
6. The undersigned is not aware that the consent, approval, or authorization of any person or entity or the filing of, registration with or permit by any person or entity is required for the execution, delivery or performance of the Borrower Documents which has not been obtained.
7. No consent of any party is required and has not been obtained in connection with the execution, delivery, and performance of the Borrower Documents by the Borrower in connection with the Transaction.
8. No events have occurred or failed to occur which, with the lapse of time or the giving of notice, or both, would constitute or result in default in the performance of any of the Borrower's warranties, representations or undertakings contained in any of the Borrower Documents.
9. The Borrower is a nonprofit corporation duly organized and validly existing under the laws of the State of Texas. Borrower has full power and authority to engage in the business and activities conducted or proposed to be conducted by it with respect to the Project, to execute and deliver the Borrower Documents, to be bound by the terms of the Borrower Documents, to perform its obligations thereunder, including the making of payments as provided in the Borrower Documents and to execute and deliver such other documents as may be reasonably necessary to perform its obligations under the Borrower Documents.
10. Borrower has duly authorized the execution and delivery of the Borrower Documents and it has obtained all necessary consents and/or approvals to carry out its obligations under the same and by doing so is not in violation of or in default under (i) any of the terms or provisions of its articles of incorporation or bylaws, or any indenture, mortgage, lien, agreement, contract, deed, lease, loan agreement, note, order, judgment, decree or other instrument or restriction of any kind or character to which it is a party or by which it or its properties are bound, or to which it or any of its assets are subject, or (ii) to the best of its knowledge, any constitutional or statutory provision or order, rule, regulation, decree, or ordinance of any court, government, or governmental body to which Borrower or any of its properties, in any material respect, is subject, wherein a default or violation of any of the above in (i) or (ii) would adversely affect the transactions contemplated by or the validity of the Borrower Documents; and the execution and delivery of the Borrower Documents and compliance with the terms, conditions and provisions of the Borrower Documents will not conflict with, result in the breach of, or constitute a default under any of the foregoing.

11. All consents, approvals, authorizations, or orders of, notices to, or filings, registrations, or declarations with, any court or governmental authority, board, agency, commission, or body having jurisdiction which are required on behalf of the Borrower for the execution and delivery by the Borrower of the Borrower Documents or the consummation by the Borrower of the transactions contemplated thereby have been obtained.
12. There is no default by the Borrower in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or agreement under and subject to which any indebtedness for borrowed money has been incurred; no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.
13. Borrower is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental agency, which default would have consequences that would have a material adverse effect upon the transactions contemplated by the Borrower Documents or the financial condition or operations of the Borrower, or in breach or default under any agreement or instrument to which Borrower is a party or by which Borrower or any of its property is bound where such breach or default would have a material adverse effect on the financial condition or operations of the Borrower, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such an event of default under any such instrument;
14. The representations and warranties of the Borrower contained herein and in the Borrower Documents are true and accurate on and as of the date hereof. Borrower has complied or is presently in compliance with agreements and satisfied all conditions on its part to be observed or satisfied under the Borrower Documents at or prior to the date hereof.
15. All signatures on the Borrower Documents, records and certificates are genuine and all persons executing such Borrower Documents, records and certificates are, at the date of execution, duly elected, qualified and acting incumbents of the respective positions attributed to them in the Borrower Documents, records and certificates.
16. The resolution of the board of directors of the Borrower, duly adopted on October 22, 2021 (the "Resolution") attached hereto as **Exhibit A**, and such other resolutions as deemed necessary or desirable in connection with the Loan, have not been amended, modified or rescinded and are effective as of the date hereof.
17. The Amended and Restated Certificate of Formation and Bylaws of the Borrower attached hereto as **Exhibit B** are true, correct, complete and in full force and effect as of this date without further amendment and no proceedings for the liquidation or dissolution of the Borrower have been instituted or are pending or to the best of the Borrower's knowledge threatened.
18. Attached hereto as **Exhibit C** is the Certificate of Fact of the Borrower from the Secretary of the State of Texas and Certificate of Status of the Borrower from the Secretary the State

of Florida, which standings have not been revoked as of the date hereof and no proceedings have been instituted or, to the knowledge of the Borrower, are threatened which would jeopardize the standing of the Borrower as set forth in such Good Standing Certificate.

19. Attached hereto as **Exhibit D** is the franchise account status from the Office Comptroller of the State of Texas, which has not been revoked as of the date hereof and no proceedings have been instituted or, to the knowledge of the Borrower, are threatened which would jeopardize the standing of the Borrower as set forth therein.
20. The representations and warranties made by the Borrower in the Borrower Documents are true and correct in all material respects as of the date hereof.
21. The Borrower is not in default in the performance of any of the covenants, agreements or provisions contained in the Borrower Documents and applicable to the Borrower.
22. There is no litigation or proceeding pending, or to the Borrower's knowledge, overtly threatened, challenging the validity of the Borrower Documents or seeking to restrain or enjoin the transactions contemplated by the Borrower Documents, or the performance of the Borrower's obligations thereunder, or challenging the Project and other purposes to be financed by these proceedings, or in any way contesting the corporate existence or powers of the Borrower.
23. There is no legal action, suit, proceeding, inquiry, or investigation at law or in equity, before or by any court, agency, arbitrator, public board, or body or other entity or person, pending or, to the Borrower's knowledge, overtly threatened against or affecting Borrower, nor any basis therefor, (i) which seeks to restrain or enjoin the issuance of the Loan or delivery of the Borrower Document, or (ii) which seeks to in any way contest the organization or existence of the Borrower or the ability of the officers and directors of the Borrower to act on behalf of the Borrower, or (iii) which seeks to contest or, if determined adversely against Borrower, would have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by the Borrower Documents, (B) the validity or enforceability of the Borrower Documents or any other agreement or instrument to which Borrower is a party and that is used or contemplated hereby or thereby, or (iv) wherein an unfavorable decision, ruling, or finding would have a material adverse effect upon the financial condition or operations of the Borrower. Borrower is not subject to any judgment, decree, or order entered in any lawsuit or proceeding brought against it that would have a material adverse effect upon the financial conditions or operations of the Borrower.



IN WITNESS WHEREOF, the undersigned has executed and delivered this Closing Certificate of the Borrower on the date as first written above.

**IPS ENTERPRISES, INC.**, a Texas nonprofit corporation, as Borrower

By: \_\_\_\_\_  
Name: Leanne Hernandez  
Title: Chief Financial Officer

**EXHIBIT A**  
**RESOLUTION**

## **EXHIBIT B**

### **AMENDED AND RESTATED CERTIFICATE OF FORMATION AND BYLAWS**

## **EXHIBIT C**

### **CERTIFICATE OF FACT AND CERTIFICATE OF STATUS**

**EXHIBIT D**

**FRANCHISE ACCOUNT STATUS**

**FLORIDA DEPARTMENT OF EDUCATION**

\$[ ]  
**SCHOOL OF HOPE LOAN**  
**IPS Enterprises, Inc.**

**CLOSING CERTIFICATE OF IDEA PUBLIC SCHOOLS**

Dated: [ ], 2022

The undersigned, a duly authorized representative of IDEA Public Schools, a Texas nonprofit corporation (“IDEA”), hereby certifies on and as of the date hereof as follows:

1. This certificate (this “Certificate”) is made in connection with the a loan in the amount of \$ [ ] to be made by the Florida Department of Education (the “State”) to IPS Enterprises, Inc., a Texas nonprofit corporation (the “Borrower”) pursuant to that certain Loan Agreement (the “Loan Agreement”) dated as of [ ] 2022, by and between the State and the Borrower and acknowledged by IDEA Florida, Inc. (the “Lessee”).
2. The representations and warranties of IDEA made to the State in connection with the Loan and contained in the IDEA Documents (as defined below) are true and correct in all material respects on and as of the date hereof.
3. Attached hereto as **Exhibit A** is a true and correct copy of the Articles of Organization and the Articles of Amendment of IDEA, certified by the Secretary of the State of Texas, which are in full force and effect as of the date hereof.
4. Attached hereto as **Exhibit B** is a true, correct and complete copy of the Amended and Restated Bylaws of IDEA, which is in full force and effect as of the date hereof and has not been amended.
5. Attached hereto as **Exhibit C** is the Certificate of Fact of IDEA from the Secretary of the State of Texas, which standings have not been revoked as of the date hereof and no proceedings have been instituted or, to the knowledge of IDEA, are threatened which would jeopardize the standing of IDEA as set forth in such Good Standing Certificate.
6. Attached hereto as **Exhibit D** is the franchise account status from the Office Comptroller of the State of Texas, which has not been revoked as of the date hereof and no proceedings have been instituted or, to the knowledge of the Borrower, are threatened which would jeopardize the standing of the Borrower as set forth therein.
7. Attached hereto as Exhibit D is the 501(c)(3) determination letter of IDEA, which has not been revoked as of the date hereof and no proceedings have been instituted or, to the knowledge of the Borrower, are threatened which would jeopardize the standing of the Borrower as set forth therein.

8. The undersigned hereby confirms that the documents and instruments duly executed and delivered by the IDEA on and as of the date hereof, including (but not limited to) such documents and instruments listed below (collectively, the “IDEA Documents”) are the legal, binding and valid obligations of the IDEA and are in full force and effect on and as of the date hereof:

<u>DOCUMENT</u>	<u>DATED DATE</u>	<u>PARTIES</u>
Management Agreement	January 1, 2020	IDEA, Lessee

9. IDEA is a “Hope Operator” as defined in Section 1002.333 Florida Statutes, as amended and is the sole member of the Borrower. Pursuant to a Resolution of the Board of Directions (the “Resolution”) dated February 12, 2021, IDEA has designated the Borrower as its affiliated agent to borrow from the State and to enter into the Loan Agreement and such Resolution is attached hereto as **Exhibit E**. The Board of Directors of IDEA also serves as the Board of the Directors of the Borrower. IDEA and the Borrower have entered into the Management Agreement with the Lessee to operate the Schools of Hope charter schools in Tampa, Florida.
10. There is no action, suit, proceeding, inquiry or investigation pending or, to the knowledge of the undersigned, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the due organization and valid existence of IDEA, (b) contest the validity, due organization and execution of the Loan Agreement or the IDEA Documents or (c) attempt to limit, enjoin or otherwise restrict or prevent the IDEA from functioning and collecting revenues and other income.
11. IDEA is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental agency, which default would have consequences that would have a material adverse effect upon the transactions contemplated by the IDEA Documents or the financial condition or operations of IDEA, or in breach or default under any agreement or instrument to which IDEA is a party or by which IDEA or any of its property is bound where such breach or default would have a material adverse effect on the financial condition or operations of IDEA, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such an event of default under any such instrument.
12. Any resolutions necessary in connection with execution and implementation of the Loan, have not been amended, modified or rescinded and are effective as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Closing Certificate of IDEA Public Schools on the date as first written above.

**IDEA PUBLIC SCHOOLS**, a Texas nonprofit corporation

By: \_\_\_\_\_  
Leanne Hernandez,  
Authorized Representative



**EXHIBIT A**  
**ARTICLES OF ORGANIZATION**

**EXHIBIT B**  
**AMENDED AND RESTATED BYLAWS**

**EXHIBIT C**  
**CERTIFICATE OF FACT**

**EXHIBIT D**

**FRANCHISE ACCOUNT STATUS**

**EXHIBIT E**

**501(1)(C)(3) DETERMINATION LETTER**

**EXHIBIT F**  
**BUILDING HOPE RESOLUTION**



**FLORIDA DEPARTMENT OF EDUCATION**

\$[ ]  
**SCHOOL OF HOPE LOAN**  
**IPS Enterprises, Inc.**

**CLOSING CERTIFICATE OF THE LESSEE**

Dated: [ ]

The undersigned officer of IDEA Florida, Inc., a Florida nonprofit corporation (“Lessee”), hereby represents, warrants and certifies as follows:

1. This certificate (this “Certificate”) is made in connection with the loan in the amount of \$[ ] (the “Loan”) to be made by the Florida Department of Education (the “State”) to IPS Enterprises, Inc., a Texas nonprofit corporation (the “Borrower”) pursuant to that certain Loan Agreement (the “Loan Agreement”) dated as of [ ], by and between the State and the Borrower and acknowledged by the Lessee.
2. The undersigned is the duly authorized representative of the Lessee.
3. In the course of the undersigned’s duties with Lessee, the undersigned is familiar with, or has made inquiry of those personnel of the Lessee who are in a position to be familiar with, the factual matters addressed by this Certificate.
4. The performance by the Lessee of its obligations under all documents to be executed and delivered by the Lessee on the date hereof or to which it is otherwise bound in connection with the Loan including (but not limited to) the documents and instruments listed below (collectively, the “Lessee Documents”) have been duly executed and delivered by the Lessee, in the name and on behalf of the Lessee, pursuant to and in full compliance with the authority granted by the Board of Directors of the Lessee and the Resolutions, have not been amended, modified, or rescinded as of the date hereof, will not violate or contravene, or constitute a default under, to the undersigned’s knowledge after due inquiry, any existing material contract, agreement or instrument to which Lessee is a party or by which it or its properties is otherwise subject or bound.

DOCUMENT	DATED DATE	PARTIES
Loan Agreement	[ ], 2022	Borrower, State and Lessee
Lease Agreement	[ ], 2022	Borrower and Lessee
Management Agreement	January 1, 2020	IDEA, Lessee



Deposit Account [ ], 2022  
Control Agreement

Lessee and Regions Bank

5. Once the charter school operated by the Lessee in connection with the Loan reaches maximum enrollment, the occupancy expense of the Lessee is not expected to exceed 15% of the revenues of the Lessee.
6. No proceeding for the dissolution, merger, consolidation or liquidation of the Lessee or for the sale or all or substantially all of its assets in a single transaction or a related series of transaction is pending or, to the knowledge of the undersigned, threatened, and no such proceeding is contemplated by the Lessee.
7. The undersigned is not aware that the consent, approval, or authorization of any person or entity or the filing of, registration with or permit by any person or entity is required for the execution, delivery or performance of the Lessee Documents which has not been obtained.
8. No consent of any party is required and has not been obtained in connection with the execution, delivery, and performance of the Lessee Documents by the Lessee in connection with the Transaction.
9. No events have occurred or failed to occur which, with the lapse of time or the giving of notice, or both, would constitute or result in default in the performance of any of the Lessee's warranties, representations or undertakings contained in any of the Lessee Documents.
10. Lessee is a nonprofit corporation duly organized and validly existing under the laws of the State of Florida. Lessee has full power and authority to engage in the business and activities conducted or proposed to be conducted by it with respect to the Project, to execute and deliver the Lessee Documents, to be bound by the terms of the Lessee Documents, to perform its obligations thereunder, including the making of payments as provided in the Lessee Documents and to execute and deliver such other documents as may be reasonably necessary to perform its obligations under the Lessee Documents.
11. Lessee has duly authorized the execution and delivery of the Lessee Documents and it has obtained all necessary consents and/or approvals to carry out its obligations under the same and by doing so is not in violation of or in default under (i) any of the terms or provisions of its articles of incorporation or bylaws, or any indenture, mortgage, lien, agreement, contract, deed, lease, loan agreement, note, order, judgment, decree or other instrument or restriction of any kind or character to which it is a party or by which it or its properties are bound, or to which it or any of its assets are subject, or (ii) to the best of its knowledge, any constitutional or statutory provision or order, rule, regulation, decree, or ordinance of any court, government, or governmental body to which Lessee or any of its properties, in any material respect, is subject, wherein a default or violation of any of the above in (i) or (ii) would adversely affect the transactions contemplated by or the validity of the Lessee Documents; and the execution and delivery of the Lessee Documents and compliance with the terms, conditions and provisions of the Lessee Documents will not conflict with, result in the breach of, or constitute a default under any of the foregoing.

12. All consents, approvals, authorizations, or orders of, notices to, or filings, registrations, or declarations with, any court or governmental authority, board, agency, commission, or body having jurisdiction which are required on behalf of the Lessee for the execution and delivery by the Lessee of the Lessee Documents or the consummation by the Lessee of the transactions contemplated thereby have been obtained.
13. There is no default by the Lessee in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or agreement under and subject to which any indebtedness for borrowed money has been incurred; no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.
14. Lessee is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental agency, which default would have consequences that would have a material adverse effect upon the transactions contemplated by the Lessee Documents or the financial condition or operations of the Lessee, or in breach or default under any agreement or instrument to which Lessee is a party or by which Lessee or any of its property is bound where such breach or default would have a material adverse effect on the financial condition or operations of the Lessee, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such an event of default under any such instrument;
15. The representations and warranties of the Lessee contained herein and in the Lessee Documents are true and accurate on and as of the date hereof. Lessee has complied or is presently in compliance with agreements and satisfied all conditions on its part to be observed or satisfied under the Lessee Documents at or prior to the date hereof.
16. All signatures on the Lessee Documents, records and certificates are genuine and all persons executing such Lessee Documents, records and certificates are, at the date of execution, duly elected, qualified and acting incumbents of the respective positions attributed to them in the Lessee Documents, records and certificates.
17. The resolution of the board of directors of the Lessee, duly adopted on March 24, 2022 (the "Resolution") attached hereto as **Exhibit A**, and such other resolutions as deemed necessary or desirable in connection with the Loan, have not been amended, modified or rescinded and are effective as of the date hereof.
18. The Articles of Incorporation and Bylaws of the Lessee attached hereto as **Exhibit B** are true, correct, complete and in full force and effect as of this date without further amendment and no proceedings for the liquidation or dissolution of the Lessee have been instituted or are pending or to the best of the Lessee's knowledge threatened.
19. Attached hereto as **Exhibit C** is the Certificate of Status of the Lessee from the Secretary of State, which standing has not been revoked as of the date hereof and no proceedings

have been instituted or, to the knowledge of the Lessee, are threatened which would jeopardize the standing of the Lessee as set forth in such Good Standing Certificate.

20. The representations and warranties made by the Lessee in the Lessee Documents are true and correct in all material respects as of the date hereof.
21. Lessee is not in default in the performance of any of the covenants, agreements or provisions contained in the Lessee Documents and applicable to the Lessee.
22. There is no litigation or proceeding pending, or to the Lessee's knowledge, overtly threatened, challenging the validity of the Lessee Documents or seeking to restrain or enjoin the transactions contemplated by the Lessee Documents, or the performance of the Lessee's obligations thereunder, or challenging the Project and other purposes to be financed by these proceedings, or in any way contesting the corporate existence or powers of the Lessee.
23. There is no legal action, suit, proceeding, inquiry, or investigation at law or in equity, before or by any court, agency, arbitrator, public board, or body or other entity or person, pending or, to the Lessee's knowledge, overtly threatened against or affecting Lessee, nor any basis therefor, (i) which seeks to restrain or enjoin the issuance of the Loan or delivery of the Lessee Documents, or (ii) which seeks to in any way contest the organization or existence of the Lessee or the ability of the officers and directors of the Lessee to act on behalf of the Lessee, or (iii) which seeks to contest or, if determined adversely against Lessee, would have a material and adverse effect upon (A) the due performance by the Lessee of the transactions contemplated by the Lessee Documents, (B) the validity or enforceability of the Lessee Documents or any other agreement or instrument to which Lessee is a party and that is used or contemplated hereby or thereby, or (iv) wherein an unfavorable decision, ruling, or finding would have a material adverse effect upon the financial condition or operations of the Lessee. Lessee is not subject to any judgment, decree, or order entered in any lawsuit or proceeding brought against it that would have a material adverse effect upon the financial conditions or operations of the Lessee.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Closing Certificate of the Lessee on the date as first written above.

**IDEA FLORIDA, INC.**, a Florida nonprofit corporation

By: \_\_\_\_\_

Authorized Representative

**EXHIBIT A**  
**RESOLUTION**

**EXHIBIT B**  
**ARTICLES OF INCORPORATION & BYLAWS**

**EXHIBIT C**  
**CERTIFICATE OF STATUS**

## **LOAN AGREEMENT**

Loan Agreement, dated as of March \_\_\_\_, 2022, (this "Agreement") between CLI CAPITAL, a Texas real estate investment trust ("CLI") and IPS ENTERPRISES, INC., a Texas corporation, ("Borrower"), in consideration of the premises and other good and valuable consideration and the mutual benefits, covenants and agreements set forth below.

Borrower desires to borrow from CLI the amount of \$18,000,000.00 and CLI is willing, subject to and upon the terms and conditions herein set forth, to lend such amount to Borrower.

Now, therefore, it is agreed:

### **Article I**

#### **Amount and Terms of Loan**

1.1 **Loan; Closing Date.** Subject to and upon the terms and conditions herein set forth herein, CLI shall lend to Borrower and Borrower shall borrow from CLI the maximum sum of \$18,000,000.00. Such borrowing is being made simultaneously with the execution of this Agreement upon the date hereof (the "Closing Date").

1.2 **Note.** The borrowing shall be evidenced by a Real Estate Lien Note payable to the order of CLI substantially in the form of Exhibit "B" attached hereto (the "Note"), which shall be duly executed by Borrower with blanks appropriately filled in conformity herewith and in the maximum principal amount of \$18,000,000.00. The amount available to be advanced under the Note shall in no event exceed (i) the cost of



the Project (as hereinafter defined) excluding any development fees/profits paid to related entities, or (ii) the appraised value of the Project. The Note shall mature on December 1, 2026, and shall be subject to prepayment as provided in Article III.

1.3 Principal and Interest. The outstanding principal of, and interest on, the indebtedness shall be paid on such dates and in such amounts as set forth in the Note.

1.4 Loan Fees. As agreed in that certain "commitment letter" dated October 20, 2021, by and between the parties hereto, Borrower shall pay CLI an origination fee of \$180,000.00 which will be collected at the time the Note and Security Documents are executed, if not previously paid.

## **Article II**

### **Purposes of the Loan**

2.1 Purpose of Loan. The purpose of the loan is to finance the purchase, construction, renovation, and equipment of certain educational facilities located at located at 9839 Skewlee Road, Thonotosassa, Hillsborough County, Florida and 10414 Hart Pond Road, Thonotosassa, Hillsborough County, Florida (the "Project").

2.2 Related Expenses. To the extent loan proceeds are available, such loan proceeds may be used to pay the cost of title insurance, filing fees, and other costs directly related to acquisition of the Project.

## **Article III**

### **Prepayments**

3.1 Optional Prepayments. Borrower shall have the right to prepay the indebtedness at any time and in any amount without penalty. No prepayment pursuant

to this Section 3.1 of less than the entire unpaid principal amount of the Note shall be credited to or relieve Borrower to any extent from its obligation to make any payment or prepayment required by any other provision of this Agreement.

## **Article IV**

### **Security and Collateral**

As security for the payment of the principal of and interest on the Note and all other indebtedness or liabilities of Borrower to CLI, whether now existing or hereafter arising:

4.1 **Security Agreement.** Borrower shall duly execute and deliver to CLI a security agreement and a sufficient quantity of financing statements pursuant to the Uniform Commercial Code, each in form and substance satisfactory to CLI and its counsel, covering all of the personal property owned by Borrower and located at the Mortgaged Property.

4.2 **Mortgage.** Borrower shall also execute and deliver to CLI on the Closing Date a Mortgage against the "Mortgaged Property" more particularly described on Exhibit "A" attached hereto.

4.3 **Assignment of Rents.** Borrower shall also deliver to CLI at CLI's request an assignment of rents in regard to any leases entered into by Borrower, as Lessor, pertaining to the Mortgaged Property.

4.4 **Title Insurance.** On the Closing Date, Borrower shall cause to be issued and delivered to CLI a Mortgagee's Title Insurance Policy insuring that CLI holds a first and superior Mortgage lien against the Mortgaged Property.

4.5 Filing and Recording. Borrower shall, at its cost and expense, cause all instruments and documents given as security pursuant to this Agreement to be duly recorded and/or filed in all places necessary, in the opinion of CLI, to perfect and protect the mortgage, lien, or security interest of CLI in the property covered thereby.

## **Article V**

### **Conditions Precedent**

The effectiveness of this Agreement and the obligations of CLI to consummate any of the transactions contemplated hereby shall be subject to the satisfaction of the following conditions precedent, at or prior to the Closing Date:

5.1 Resolution for Financing. CLI shall have received from Borrower corporate resolutions for financing by Borrower, in form and substance satisfactory to CLI.

5.2 Security and Collateral Instruments. CLI shall have received all the instruments, documents, and title insurance, required to be delivered pursuant to Article IV or pursuant to the instruments and documents referred to in Article IV, and the same shall be in full force and effect.

5.3 Note. CLI shall have received a Note in accordance with Section 1.2.

5.4 Correctness of Warranties. All representations and warranties contained herein or otherwise made to CLI in connection herewith, shall be true and correct in all material respects.

5.5 No Event of Default. There shall exist no Event of Default as defined in Article VIII and no condition, event or act which, with notice or lapse of time, or both, would constitute an Event of Default.

5.6 Proceedings; Receipt of Documents. All corporate and legal proceedings and all documents and instruments in connection with the borrowing evidenced hereby and pursuant to Articles IV and V shall be reasonably satisfactory in form and substance to CLI and its counsel; CLI and its counsel shall have received all information and copies of all documents, including records of corporate proceedings, which CLI or its counsel may have reasonably requested in connection therewith, such documents where reasonably requested by CLI or its counsel to be certified by appropriate corporate or governmental authorities.

5.7 Appraisal. An appraisal shall be obtained and provided to CLI on the Mortgaged Property more particularly described on Exhibit "A" and based upon such total appraised value of the Mortgaged Property, the total amount advanced under the terms of the Note will not exceed one hundred percent (100%) of such total appraised value. Such appraisal must be certified to comply with the standards of CLI and be submitted for approval prior to advancement of any funds. Such appraisal shall be rendered by an appraiser who, among other things, shall have:

- (a) Appraised the real estate at not more than the fair market value thereof;
- (b) Appraised the value of the improvements on the real estate at not more than the depreciated cost thereof; and

(c) Considered in making such appraisal the likelihood of deterioration of the neighborhood in which the real estate and improvements are located.

The qualifications of the appraiser and references, preferably by banks and insurance companies should be submitted with the appraisal.

5.8 Insurance. Borrower shall provide to CLI prior to funding, evidence of all required insurance coverages set forth Section 6.4 hereof in such amounts and with such companies as is reasonably acceptable to CLI.

5.9 Bank Draft Authorization. On or before the Closing Date, Borrower shall provide CLI the necessary documentation to authorize CLI to automatically draft Borrower's monthly payment, including adjustments pursuant to the Note, from an account maintained by Borrower.

## **Article VI**

### **Affirmative Covenants**

Borrower covenants and agrees that, until the Note together with interest and all its other indebtedness to CLI under this Agreement are paid in full, unless specifically waived by CLI in writing, which waiver shall not be unreasonably conditioned, withheld or delayed:

6.1 Financial Statements and Other Information. From time to time, Borrower shall furnish or cause IPS Enterprises, Inc. to furnish, to CLI audited financial statements, setting forth in comparative form the corresponding figures of the appropriate periods of the preceeding fiscal year (a) within 180 days after its fiscal year-end, which is currently June 30th; and (b) internal financial statements within 60 days

from the end of the quarter, all in reasonable detail and certified by the chief accounting officer of Borrower to be true and correct, subject to normal recurring year-end audit adjustments;

6.2 Notice of Litigation. Promptly upon the commencement thereof, written notice of any litigation, including arbitrations, and of any proceedings before any governmental agency which would, if successful, materially and adversely affect the Borrower's ability to repay the indebtedness evidenced by the Note, or where the amount involved exceeds \$100,000.00 and is not acknowledged by an insurance carrier to be covered in full by insurance required;

6.3 Taxes and Claims. Borrower shall duly pay and discharge, and shall cause each of its subsidiaries to pay and discharge, (a) all taxes, assessments, and governmental charges upon or against Borrower or its subsidiaries or their respective properties or assets prior to the date on which penalties attach thereto, unless and to the extent that such taxes are being diligently contested in good faith and by appropriate proceedings and appropriate reserves therefor have been established, or are bonded in an amount reasonably satisfactory to CLI, and (b) all lawful claims, whether for tort damages, labor, materials, supplies, services, repairs, wages or otherwise, which might or could, if unpaid, become a lien or charge upon the properties or assets of Borrower or its subsidiaries, unless and to the extent only that the same are being diligently contested in good faith and by appropriate proceedings and appropriate reserves therefor have been established or are bonded in an amount reasonably satisfactory to CLI.

6.4 Insurance. (a) Borrower shall, (i) keep all properties, buildings and improvements insured at all times with responsible insurance carriers against loss or damage by fire and other hazards in a total amount of not less than the principal balance available under the terms of the Note, (ii) maintain adequate insurance at all times with responsible insurance carriers against liability on account of damage to persons and property and under all applicable worker's compensation laws, and (iii) maintain adequate insurance covering such other risks as CLI may reasonably request. For the purposes of this Section 6.4(a), insurance shall be deemed adequate if the same is not less extensive in coverage and amount than is customarily maintained by other persons engaged in the same or similar business similarly situated. All insurance covering real property and tangible personal property subject to a lien or security interest in favor of CLI granted pursuant to this Agreement or under any instrument or document given as security pursuant hereto shall provide that, CLI is an additional insured and/or loss payee, secured party, or otherwise as its interest may appear, and shall further provide for at least ten days prior notice to CLI of the cancellation or material modification thereof.

(b) Borrower shall from time to time upon request of CLI, promptly furnish or cause to be furnished to CLI evidence, in form and substance satisfactory to it, of the maintenance of all insurance required by this section to be maintained, including, but not limited to such originals or copies as CLI may request of policies, certificates of insurance, riders, and endorsements relating to such insurance and proof of premium payments.

6.5 Books and Reserves. Borrower shall:

(a) Maintain, at all times, true and complete books, records, and accounts in which true and correct entries shall be made of its transactions in accordance with generally accepted accounting principles consistently applied and consistent with those applied in the preparation of the financial statements referred to in Section 9.6, and

(b) By means of appropriate quarterly entries, reflect in its accounts and in all financial statements furnished pursuant to Section 6.1 proper liabilities and reserves for all taxes and proper reserves for depreciation, renewals and replacements, obsolescence and amortization of its properties and bad debts, all in accordance with generally accepted accounting principles consistently applied, as above described.

6.6 Properties in Good Condition. Borrower shall keep, and shall cause each of its subsidiaries, to keep, their respective properties in good repair, working order and condition and, from time to time, make all needful and proper repairs, renewals, replacements, additions, and improvements thereto, so that the activities carried on may be properly and advantageously conducted at all times in accordance with prudent management.

6.7 Inspection by CLI. Borrower shall allow, and shall cause each of its subsidiaries or tenants to allow, any representative of CLI to visit and inspect any of the properties of Borrower or any subsidiary, lessee, or owner of collateral to examine the books of account and other records and files of the Borrower, to make copies thereof and to discuss the affairs, business, finances, and accounts of Borrower with their respective officers and employees, during regular business hours and with two (2)



business days notice, no more than twice in a calendar year so long as no Event of Default has occurred and is continuing.

6.8 Pay Indebtedness to CLI and Perform Other Covenants. Borrower shall (a) make full and timely payment of the principal of and interest on the Note, and all other indebtedness of Borrower to CLI, whether now existing or hereafter arising, (b) duly comply in all material respects with all the terms and covenants contained in each of the instruments and documents given to CLI in connection with or pursuant to this Agreement, all at the times and places and in the manner set forth therein, and (c) at all times maintain the liens and security interests provided for under or pursuant to this Agreement as valid and perfected liens and security interests on the property intended to be covered thereby and shall not allow any other liens, even subordinate or inferior, to attach to the properties securing CLI, except for the liens provided for in Section 7.1 hereof.

6.9 Environmental. Borrower hereby covenants and agrees that:

(a) Borrower shall at all times during the term of this Agreement comply with all applicable federal, state and local laws, regulations, administrative rulings, orders, ordinances, and the like, pertaining to the protection of the environment, including, but not limited to, those regulating the handling and disposal of waste materials. Further, during the term of this Agreement, neither Borrower nor any agent or party acting at the direction or with the consent of Borrower shall treat, store, or dispose of any "hazardous substance," as defined in Comprehensive Environmental Response, Compensation and

Liability Act of 1980, as amended ("CERCLA"), or petroleum (including crude oil or any fraction thereof) on the Mortgaged Property.

(b) Borrower shall fully and promptly pay, perform, discharge, defend, indemnify and hold harmless CLI against any and all claims, orders, demands, proceedings, judgments, or suits and all liabilities, losses, costs or expenses (including, but not limited to, technical consultant fees, court costs, expenses paid to third parties and reasonable legal fees) and damages arising out of, or as a result of, (i) any "release," as defined in CERCLA, of any "hazardous substance," as defined in CERCLA, or petroleum (including crude oil or any fraction thereof) discharged, deposited, dumped, spilled, leaked or placed into or on the Mortgaged Property at any time after the date Borrower acquired title to the Mortgaged Property; (ii) any contamination of the soil or groundwater or damage to the environment and natural resources of the Mortgaged Property the result of actions occurring after Borrower acquired title to the Mortgaged Property, whether arising under CERCLA or other existing statutes and regulations, or common law; and (iii) any toxic, explosive or otherwise dangerous materials which have been buried beneath or concealed within the Mortgaged Property after Borrower acquired title to the Mortgaged Property.

6.10 Further Assurances. Borrower shall, at its cost and expense, upon request of CLI, duly execute and deliver to CLI such further instruments and do and cause to be done such further acts as may be reasonably necessary in the opinion of CLI to carry out more effectually the provisions and purposes of this Agreement.

6.11 Advances/Inspections. a) The Borrower shall submit request for loan advances for Project related expenses on a monthly basis; however, no more than two loan advance requests per month. Advance requests shall be accompanied with supporting invoices. For advances related to general construction, Borrower may request by requisition substantially in the form attached as Exhibit "C" hereto, or shall cause the contractor to submit each monthly request for payment on customary AIA forms, or other such forms as previously approved by CLI. Each request for payment shall be accompanied by all supporting documentation required by CLI, including but not limited to conditional/unconditional lien releases.

b) Loan advances for construction progress payments shall be accompanied with a certified application for payment, conditional and final lien releases, and subject to prior approval by CLI's construction inspector, as further described in section 6.15.

c) For a loan advance related to final construction payment, Borrower shall provide to CLI the following prior to release of funds: (i) Certificate of Occupancy, (ii) Conditional Final Release of Liens from the General Contractor, (iii) Acceptable final Application for Payment from the General Contractor signed by the Contractor and Architect, and (iv) Consent of Surety.

6.12 Guaranteed Maximum Price Contract. Borrower shall provide to CLI, prior to construction, a binding guaranteed maximum price contract for the construction of improvements materially similar to the plans previously submitted to CLI. The contract price shall be an amount not to exceed the available funds to complete. The

general contractor must be acceptable to CLI, in CLI's sole discretion. Such contract shall not be modified or amended without the express written consent of CLI.

6.13 Intentionally Deleted.

6.14 Intentionally Deleted.

6.15 Construction Inspections. Borrower shall acknowledge that prior to the payment of any construction advance submitted in accordance with paragraph 6.11, CLI may send a representative to perform an on-site inspection. The purpose of the on-site inspection is to verify the completion of the items listed in the request for construction advance. If the representative finds that the work has not been completed in a good and workmanlike manner or the materials purchased are not installed or on-site, CLI may withhold payment for those items.

6.16 Builder's Risk. Borrower shall require the contractor under the fixed-price contract described herein above to furnish CLI an original policy providing builder's risk coverage in an amount not less than the amount of the fixed-price contract herein prior to CLI funding any construction draws. CLI must be listed as mortgagee.

6.17 Payment and Performance Bond. Borrower shall require the contractor under the fixed-price contract described herein above to secure a payment and performance bond in an amount not less than the fixed-price contract. The payment and performance bond shall be underwritten by a U.S. Treasury-listed Surety Company.

## **Article VII**

### **Negative Covenants**

Borrower covenants and agrees that, until the Note together with interest and all its other indebtedness to CLI under this Agreement are paid in full, Borrower shall not, without the prior written consent of CLI, which consent shall not be unreasonably conditioned, withheld or delayed:

7.1 Mortgages, Liens, etc. Create, incur, assume, or suffer to exist any mortgage, pledge, security interest, encumbrance, lien, or charge of any kind upon or defect in title to or restriction upon the use of the Mortgaged Property or assets that are pledged to secure repayment of the indebtedness hereunder, or hold or acquire any property or assets that are pledged to secure repayment of the indebtedness hereunder under conditional sales, finance leases, or other title retention agreements, or permit or suffer any subsidiary to do so, except:

(a) The Second Lien Mortgage and Security Agreement (With Assignments of Rents and Leases) from Borrower to the Florida Department of Education with respect to the Mortgaged Property (the "Second Lien Mortgage");

(b) Mortgages, liens, pledges, and security interests in favor of CLI;

(c) Mortgages, liens, pledges and security interests which receive CLI's prior written consent;

(d) (i) Liens arising out of judgments or awards in respect of which Borrower shall in good faith be prosecuting an appeal or proceedings for review and in respect or which Borrower shall have secured a subsisting stay of execution pending

such appeal or proceedings for review, provided Borrower shall have set aside on its books adequate reserves with respect to such judgment or award; (ii) liens for taxes, assessments, or governmental charges or levies, provided payment thereof shall not at the time be required in accordance with the provisions of Section 6.3; (iii) deposits, liens, or pledges to secure payments of worker's compensation, unemployment insurance, pensions or other social security obligations, public or statutory obligations, surety, stay or appeal bonds, or other similar obligations arising in the ordinary course of business; (iv) mechanics', workmen's, repairmen's, warehousemen's, vendors' or carriers' liens, or other similar liens arising in the ordinary course of business and securing sums which are not past due, or deposits or pledges to obtain the release of any such liens or provides a payment bond in an amount sufficient in the reasonable opinion of CLI to insure payment; and (v) zoning restrictions, easements, licenses, restrictions on the use of real property or minor irregularities in title thereto, which do not materially impair the use of such property in the operation of the business of Borrower or any subsidiary or the value of such property for the purpose of such business; and

(e) purchase money security interests in assets acquired by Borrower for, and related to, the Mortgaged Property.

7.2 Indebtedness. Create, incur, assume, or suffer to exist, contingently or otherwise, any indebtedness secured by the Mortgaged Property, or permit or suffer any subsidiary to do so, except:

(a) The loan agreement between the Florida Department of Education as subordinate lender and Borrower secured by the Mortgaged Property (the “Subordinate Loan”);

(b) Indebtedness of Borrower to CLI;

(c) Unsecured current payables incurred in the ordinary course of business, but not those which are for money borrowed or are evidenced by bonds, debentures, notes, or other similar instruments;

(d) Indebtedness (not overdue) secured by mortgages, liens, or security interests permitted by Section 7.1;

(e) Indebtedness under guarantees or for other contingent liabilities to the extent permitted by Section 7.3;

(f) Indebtedness approved by CLI in writing; and

(g) Indebtedness under leases.

7.3 Payments to Related Entities. While an Event of Default shall have occurred and then be continuing to exist, make a payment to IDEA Public Schools, or an entity related thereto, for a management fee or similar expense, without the written consent of CLI.

7.4 Merger, Sale of Assets, Dissolution, etc. Enter into any transaction of merger or consolidation, or transfer, sell, assign, lease, or otherwise dispose of all or a substantial part of the Project, or any assets or properties necessary for the proper conduct of its business, or materially change the nature of its business or its corporate

name, or wind up, liquidate, or dissolve, or agree to do any of the foregoing, or permit any subsidiary to do so, except that:

(a) Any subsidiary may dissolve, or transfer all or a substantial part of its properties and assets to, or may merge into Borrower;

(b) Borrower may transfer or sell any stock or indebtedness of any subsidiary to another subsidiary; and

(c) Any subsidiary may transfer or sell any stock or indebtedness of any other subsidiary to Borrower.

## **Article VIII**

### **Defaults and Remedies**

8.1 **Events of Default.** If any one or more of the following events (herein called "Events of Default") shall occur for any reason whatsoever (and whether such occurrence shall be voluntary or involuntary or come about or be effective by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule, or regulation of any administrative or governmental body), that is to say:

(a) The failure, refusal or neglect of Borrower to maintain sufficient funds in its operating account to pay when due, any part of the principal of, or interest on, the Note or any other indebtedness or obligations owing to CLI by Borrower from time to time; provided, that it shall not be an Event of Default hereunder if any payment due and owing under the Note or any other indebtedness or obligation is not timely



made as a result of CLI's failure to comply with the terms of the auto-debit requirements of Borrower's depository institution maintaining its operating account;

(b) The failure of Borrower to timely and properly observe, keep or perform any covenant, agreement, warranty or condition required herein or in any other instrument or document delivered to CLI in connection with this Agreement and the failure of Borrower to cure such default within 30 days after written notice from CLI specifying such default, provided that such default or violation is susceptible of being remedied, but if such remedy cannot reasonably be accomplished within the initial 30-day cure period, no Event of Default shall be deemed to have occurred so long as Borrower is diligently pursuing such remedy and is successful in curing the default or violation to the reasonable satisfaction of CLI within such additional period of time as may be necessary to effect the remedy, not to exceed in any event an additional 60 days following the end of the initial cure period;

(c) The occurrence of any default which permits the acceleration of the maturity of any material indebtedness owing by Borrower to any third party under any written agreement;

(d) If any representation or warranty or any other statement of fact herein or in any writing, certificate, report, or statement at any time furnished to CLI pursuant to or in connection with this Agreement, or otherwise, shall be false or misleading in any material respect;

(e) If Borrower shall admit in writing its inability to pay its debts generally as they become due, file a petition in bankruptcy or a petition to take

advantage of any insolvency act, make an assignment for the benefit of its creditors; commence a proceeding for the appointment of a receiver, trustee, liquidator, or conservator of itself or of a whole or any substantial part of its property; file a petition or answer seeking reorganization or arrangement or similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States or any state and any such petition is not dismissed within 90 days after the filing thereof;

(f) If Borrower shall be adjudged a bankrupt; or a court of competent jurisdiction shall enter an order, judgment, or decree appointing a receiver, trustee, liquidator, or conservator of Borrower or of the whole or any substantial part of their respective properties, or approve a petition filed against Borrower seeking reorganization or similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States or any state, or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Borrower or of the whole or any substantial part of their respective properties; or if there is commenced against Borrower any proceeding for any of the foregoing relief or if a petition in bankruptcy is filed against Borrower and such proceeding or petition remains undismissed for a period of ninety (90) days; or if Borrower by any act indicates its consent to, approval of or acquiescence in any such proceeding or petition; or

(g) If any final judgment (i.e., all appeal rights have terminated) against Borrower or any attachment or execution against any of its property for any amount in

excess of \$100,000.00 remains unpaid, unstayed, or undismissed for a period of more than sixty (60) days.

Then, so long as any Event of Default shall have occurred and then be continuing, CLI may, at its option, declare the Note to be due and payable, whereupon the maturity of the then unpaid balance of the Note shall be accelerated and the same, and all interest accrued thereon, shall forthwith become due and payable without presentment, demand, protest, or notice of any kind, all of which are hereby expressly waived, anything contained herein or in the Note to the contrary notwithstanding.

8.2 Suits for Enforcement. In case any one or more Events of Default shall occur and be continuing, CLI may proceed to protect and enforce its rights or remedies either by suit in equity or by action at law, or both, whether for the specific performance of any covenant, agreement, or other provision contained herein, in the Note or in any document or instrument delivered in connection with or pursuant to this Agreement, or to enforce the payment of the Note or any other legal or equitable right or remedy or may immediately proceed to enforce its rights of non-judicial foreclosure as allowed by law.

8.3 Rights and Remedies Cumulative. No right or remedy herein conferred upon CLI is intended to be exclusive of any other right or remedy contained herein, in the Note or in any instrument or document delivered in connection with or pursuant to this Agreement, and every such right or remedy shall be cumulative and shall be in addition to every other such right or remedy contained herein and therein or now or hereafter existing at law or in equity or by statute, or otherwise.

8.4 Rights and Remedies Not Waived. No course of dealing between Borrower and CLI or any failure or delay on the part of CLI in exercising any rights or remedies hereunder shall operate as a waiver of any rights or remedies of CLI and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder.

## **Article IX**

### **Representations and Warranties**

In order to induce CLI to enter into this Agreement and to make the loan as herein provided for, Borrower makes the following representations and warranties which shall survive the execution and delivery of this Agreement and the Note, and any inspection or examination at any time made by or on behalf of CLI.

9.1 Corporate Status. Borrower is a duly organized non-profit corporation, in good standing under the laws of the State of Texas, with perpetual corporate existence, and has the corporate power and authority to own its properties and to transact the business in which it is engaged or presently proposes to engage.

9.2 Power and Authority. Borrower has the corporate power to borrow and to execute, deliver, and carry out the terms and provisions of this Agreement, the notes and all instruments and documents delivered by it pursuant to this Agreement, and Borrower has taken or caused to be taken all necessary corporate action required by law or by the Certificate of Formation or Company Agreement of Borrower to authorize the execution, delivery, and performance of this Agreement, the borrowing hereunder,

the making and delivery of the Note, and the execution, delivery, and performance of the instruments and documents delivered by it pursuant to this Agreement.

9.3 No Violation of Agreements. Borrower is not in default under any indenture, mortgage, deed of trust, agreement, or other instrument to which it is a party or by which it may be bound. Neither the execution and delivery of this Agreement, the Note or any of the instruments and documents to be delivered pursuant to this Agreement, nor the consummation of the transactions herein and therein contemplated, nor compliance with the provisions hereof or thereof will violate any law or regulation, or any order or decree of any court of governmental instrumentality, or will conflict with, or result in the breach of, or constitute a default under, any indenture, mortgage, deed of trust, agreement, or other instrument to which Borrower is a party or by which it may be bound, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the property of Borrower, or violate any provision of the Certificate of Formation or Company Agreement of Borrower.

9.4 No Litigation. There are no actions, suits, or proceedings pending, or to the knowledge of Borrower threatened, against or affecting Borrower or before any Court, arbitrator, or governmental or administrative body or agency which might result in any material adverse change in the business, operations, properties, or assets or in the condition, financial or otherwise, of Borrower. Borrower is not in default in any material respect under any applicable statute, rule, order, decree, or regulation of any court, arbitrator, or governmental body or agency having jurisdiction over Borrower.

9.5 Good Title to Properties. Borrower has, or at closing will have, good and indefeasible title to all properties and assets subject to no liens, mortgages, pledges, security interests, encumbrances, or charges of any kind, except such as would be permitted under the provisions of this Agreement.

9.6 Financial Statements. The financial statements of Borrower previously supplied to CLI, including in each case the related schedules and notes reflected therein, are all true and correct and present fairly (i) the financial position of Borrower, as applicable, as at the date of such and (ii) the results of the operations of Borrower for said fiscal year. Borrower did not have any direct or contingent liabilities as of such date which are not provided for or reflected in such financial statements or referred to in the notes thereto. All such financial statements have been prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved. There has been no material adverse change in the assets, liabilities, properties, business or condition, financial or otherwise, of Borrower since the date of such financial statements.

9.7 Tax Liability. Borrower has filed all tax returns which are required to be filed, and, subject to Section 6.3, has paid any and all taxes which have become due pursuant to such returns or pursuant to any assessment received by it. Furthermore, there is no action pending against Borrower to revoke its tax exempt status.

9.8 Governmental Action. No action of, or filing with, any governmental or public body or authority (other than normal reporting requirements or filings) is required to authorize, or is otherwise required in connection with, the execution, delivery, and

performance of this Agreement, the Note, or any of the instruments or documents to be delivered pursuant to this Agreement.

9.9 Disclosure. Neither the schedules hereto, nor the financial statements referred to above, nor any certificate, statement, report, or other document furnished to CLI by Borrower in connection herewith or in connection with any transaction contemplated hereby, nor this Agreement, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein not misleading.

## **Article X**

### **Miscellaneous**

10.1 Collection Costs. In the event that CLI shall retain or engage an attorney or attorneys to collect, enforce, or protect its interests with respect to this Agreement, the Note, or any instrument or document delivered pursuant to this Agreement, or as to any collateral securing the Note, Borrower shall pay all of the reasonable costs and expenses of such collection, enforcement, or protection, including reasonable attorneys' fees, and CLI may take judgment for all such amounts, in addition to the unpaid principal balance of the Note and accrued interest thereon.

10.2 Modification and Waiver. No modification or waiver of any provision of the Note or of this Agreement and no consent by CLI to any departure therefrom by Borrower shall be effective unless such modification or waiver shall be in writing and signed by a duly authorized officer of CLI, and the same shall then be effective only for the period, on the conditions and for the specific instances and purposes specified in

such writing. No notice to or demand on Borrower in any case shall entitle Borrower to any other or further notice or demand in similar or other circumstances.

10.3 Applicable Law. Except as hereinafter provided, the Note and this Agreement shall be construed in accordance with and governed by the laws of the State of Texas and the Agreement shall be performable in whole, or in part, in Potter County, Texas. Any foreclosure of applicable security documents shall be in accordance with and governed by the laws of the State of Florida.

10.4 Notices. All notices, requests, demands, or other communications provided for herein shall be in writing and shall be deemed to have been given when sent by U.S. mail, postage prepaid, addressed, as the case may be, to CLI at 905 S. Polk St., Ste. 300, Amarillo, Texas 79101, Attention: Jason Hall, or to Borrower at 2115 W. Pike, Weslaco, Texas 78596, or to such other person or address as either party shall designate to the other from time to time in writing forwarded in like manner.

10.5 Fees and Expenses. In addition to the origination fee, Borrower agreed to pay CLI's expenses related to the loan, including attorneys' fees related hereto, costs for a flood certificate, costs for an environmental assessment on the Mortgaged Property, appraisal fees, and tax monitoring fees.

10.6 Captions. The captions of the various sections and paragraphs of this Agreement have been inserted only for the purposes of convenience; such captions are not a part of this Agreement and shall not be deemed in any manner to modify, explain, enlarge, or restrict any of the provisions of this Agreement.



10.7 Securities Act Status. Borrower represents and warrants that neither Borrower, nor any agent acting on its behalf, has, either directly or indirectly, offered the Note for sale to, or solicited any offer to buy the Note from, or otherwise negotiated in respect thereof, with, anyone other than CLI and agrees that no such offer to sell, or to buy the Note, or any solicitation thereof will be made to or with any person so as to bring the issuance or sale thereof within the provisions of Section 5 of the Securities Act of 1933, as amended (the "Act"). CLI represents and warrants that it is making or will make, the purchase and sale and the loan herein contemplated for its own account and not with any present intention of making any public offering or effecting any distribution of the Note, but CLI reserves the right to transfer the Note if, at any future date, CLI shall deem it advisable to do so. The representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Note.

10.8 Non-Liability of CLI Shareholders. It is understood and agreed that the owners of Certificates of Beneficial Interest of CLI, irrespective of whether said Certificates of Beneficial Interest are owned by any person, in such person's individual capacity or in any representative capacity, shall not be personally liable under or by virtue of this Agreement.

10.9 Benefit of Agreement. This Agreement shall be binding upon and inure to the benefit of Borrower and CLI and their respective successors and assigns, and all subsequent holders of the Note.

10.10 Release Upon Full Payment. Upon the full and final payment of the Note, Borrower shall pay any and all expenses related to the release of the Note and liens securing same.

10.11 Amendments. No modification or amendment to this Agreement or to any of the other documents delivered in connection with this Agreement shall be valid or effective unless the same is signed by the party against whom it is sought to be enforced.

10.12 Benefits. This Agreement shall be binding upon and inure to the benefit of CLI and Borrower, and their respective successors and assigns, provided, however, neither party may, without the prior written consent of the other party, assign any rights, powers, duties or obligations under this Agreement or any of the other documents delivered in connection with this Agreement.

10.13 Invalid Provisions. If any provision of this Agreement or any of the other documents delivered in connection with this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and the remaining provisions of this Agreement or any of the other documents delivered in connection with this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance.

10.14 Conflicts. In the event any term or provision hereof is inconsistent with or conflicts with any provision of any of the other documents delivered in connection with this Agreement, the terms and provisions contained in this Agreement shall be controlling.

10.15 Counterparts; Facsimile Documents, Signatures and Esign. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means containing, or to which there is affixed, an electronic signature.

10.16 Limitation on Advances. CLI will have an initial funding for the purchase of the Mortgaged Property, closing costs related to the purchase of the Mortgaged Property, and the reimbursement of approved “soft costs” previously incurred by

Borrower. Borrower shall not be entitled to another advance under the Note until such time as the Borrower has received approval and entered into that certain Loan from the Florida Department of Education in the original principal amount of \$7,600,000.00, which funds are specifically for constructing and equipping the Project.

In witness whereof Borrower and CLI have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

[signature pages to follow]

CLI CAPITAL

BY: \_\_\_\_\_  
Jason Hall, President

The State of Texas       §  
                                     §  
County of \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of March, 2022,  
by Jason Hall, President of CLI Capital.

\_\_\_\_\_  
Notary Public, State of Texas

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

THE STATE OF \_\_\_\_\_ §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of March, 2022,  
by \_\_\_\_\_, \_\_\_\_\_ ENTERPRISES, INC., a Texas  
corporation, on its behalf.

\_\_\_\_\_  
Notary Public, State Texas

PREPARED BY:  
Samuel S. Karr, Esq.  
Burdett, Morgan, Williamson & Boykin, LLP  
701 South Taylor, Suite 440  
Amarillo, Texas 79101

**MORTGAGE**

FLORIDA DOCUMENTARY STAMP TAXES IN THE AMOUNT OF \$\_\_\_\_\_ AND  
FLORIDA NON-RECURRING INTANGIBLE TAXES IN THE AMOUNT OF \$\_\_\_\_\_  
ARE BEING PAID UPON RECORDATION OF THIS INSTRUMENT.

## **MORTGAGE**

**MORTGAGE**, dated March \_\_\_\_, 2022, made by IPS ENTERPRISES, INC., a Texas corporation, 2115 W. Pike, Weslaco, Texas 78596, ("Mortgagor"), to CLI CAPITAL, a Texas real estate investment trust, 905 South Polk Street, Suite 300, Amarillo, Potter County, Texas 79101, ("Mortgagee").

### **Recital**

The "Note" secured hereby consists of a Real Estate Lien Note executed and delivered by Mortgagor and payable to the order of CLI Capital dated March \_\_\_\_, 2022. All references to the "Note" herein shall be to the indebtedness represented in the Real Estate Lien Note. In return for a loan that Mortgagor received as described above, Mortgagor promises to pay \$18,000,000.00 (called "principal"), plus interest in accordance with the terms of the Note. The Note shall mature on or before December 1, 2026. All terms of the Note are made a part of this Mortgage.

### **Definitions**

Mortgagor and Mortgagee agree that, unless the context hereof otherwise specifies or requires, the following terms shall have the meanings herein specified. Said definitions shall be applicable equally to the singular and the plural forms of such terms.

"Chattels" shall mean all fixtures, fittings, appliances, apparatus, equipment, machinery and articles of personal property and replacements thereof, other than those owned by lessees, now or at any time hereafter affixed to, attached to, placed upon, or used in any way in connection with the complete and comfortable use, enjoyment, occupancy or operation of the Improvements on the Premises.

"Event of Default" shall mean any event and circumstance described as an Event of Default in Section 2.01 hereof.

"Improvements" shall mean all structures or buildings now or hereafter located upon the Premises or any part thereof, including all equipment, apparatus, machinery and fixtures of every kind and nature whatsoever forming part of said structures or buildings.

"Loan Agreement" shall mean that certain Loan Agreement dated effective as of March \_\_\_\_, 2022, entered into by and between Mortgagor and Mortgagee.



"Property" shall mean the Premises, the Improvements, the Chattels and all other property, rights and interests described in the Granting Clause of this Mortgage.

"Premises" shall mean:

**ALL** that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in Thonotosassa, the County of Hillsborough, and the State of Florida, being more particularly described in Exhibit A attached hereto and made a part hereof,

**TOGETHER** with all right, title and interest, if any, of Mortgagor in and to any streets and roads abutting the above described premises to the center lines thereof,

**TOGETHER** with the appurtenances and all the estate and rights of Mortgagor in and to said premises.

All terms in this Mortgage which are not defined above shall have the meanings set forth in this Mortgage.

### **Granting Clause**

**NOW, THEREFORE**, in consideration of the premises, and in order to secure the payment of the principal, interest and any other sums payable under the Note and this Mortgage, and the observance and performance of the provisions hereof and of the Note, Mortgagor hereby mortgages and warrants to the Mortgagee all estate, right, title and interest of Mortgagor in, to and under any and all of the following described property, whether now owned or hereafter acquired subject to the permitted encumbrances more particularly described in Exhibit "B" attached hereto and made a part hereof:

(a) the Premises;

(b) the Improvements;

(c) the Chattels;

(d) all leases of the Premises, now or hereafter entered into and all right, title and interest of Mortgagor thereunder, including without limitation cash or securities deposited thereunder to secure the payment or performance by the lessees of their obligations thereunder, whether such cash or securities are to be held until the expiration of the terms of such leases or applied to one or more of the installments of rent coming due immediately

prior to the expiration of such terms, and including the right, upon the happening of an Event of Default, to receive and collect the rents thereunder; and

(e) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including without limitation insurance proceeds and condemnation awards.

## **ARTICLE I**

### **Covenants of Mortgagor**

#### **Mortgagor covenants and agrees as follows:**

1.01. Mortgagor shall punctually pay the principal, interest and all other sums to become due under the Note, at the time and place and in the manner specified in the Note, in the coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

1.02. Mortgagor represents and warrants that it has good and marketable title to the Premises; that the Premises are subject to no lien, claim or encumbrance except as set forth herein; that Mortgagor now and hereafter will own the Chattels free and clear of all liens, claims and encumbrances; and that this Mortgage is and will remain a valid and enforceable first lien on the Property subject only to the exceptions referred to herein; and that Mortgagor has full power and lawful authority to mortgage the Property as herein provided. Mortgagor forever shall preserve, warrant and defend such title to Mortgagee, and forever shall preserve, warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever, subject to the exceptions referred to herein.

1.03. Mortgagor, at Mortgagor's sole cost and expense, shall do, execute, acknowledge and deliver all and every such further acts, deeds, mortgages, assignments, transfers and assurances as Mortgagee from time to time shall reasonably require, for the better assuring, mortgaging, assigning, transferring and confirming unto Mortgagee the property and rights hereby mortgaged, assigned, transferred or intended now or hereafter to be mortgaged, assigned or transferred, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage. All right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the Premises, now owned by, hereafter acquired by, or released to Mortgagor, or constructed, assembled or placed by Mortgagor on the Premises, and all conversions of the security of this Mortgage, immediately upon such acquisition, release, construction, assembling, placement or conversion, without any further mortgage, conveyance, assignment or other act by Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as

though now owned by Mortgagor and specifically described in the granting clause hereof. Mortgagor, on demand, shall execute and deliver to Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage. Mortgagor, upon the execution and delivery of this Mortgage, and thereafter on demand, at Mortgagor's sole cost and expense shall cause this Mortgage and any security instrument creating or evidencing a lien upon the Chattels or any other property to be secured hereby, and any other instrument of further assurance or instrument supplemental hereto or given in connection herewith, to be filed, registered or recorded in such manner and in such place or places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Mortgagee in, the Property. On written demand, Mortgagor shall execute and deliver, and Mortgagor hereby authorizes Mortgagee, and irrevocably appoints Mortgagee as its attorney-in-fact, to execute and deliver in the name of and on behalf of Mortgagor, to the extent permitted by applicable law, one or more financing statements, chattel mortgages or comparable security instruments to evidence more effectively the lien hereof upon the Chattels, in accordance with the terms of this Mortgage.

1.04. Mortgagor, if a corporation, shall, so long as it is the owner of the Property, do all things necessary to preserve and keep in full force and effect its existence, franchises, rights and privileges as a business or stock corporation under the laws of the state of incorporation, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to Mortgagor or to the Property or any part hereof.

1.05. Mortgagor shall keep the Property free from statutory liens of every kind or nature, and shall pay and discharge when due all taxes of every kind or nature, general and special assessments, levies, permits, inspection and license fees, water and sewer rents and charges, and other governmental or public charges, fines and impositions, whether of a like or different nature, which are or may be levied or imposed upon, or assessed against, the Property or any part thereof, or upon the revenues, income, rents, issues and profits of the Property or arising in respect of the occupancy, use or possession thereof, provided that Mortgagor may cause such liens to be removed to a bond within thirty (30) days and not be in violation of this Section. Mortgagor, upon the written request of Mortgagee, shall deliver to Mortgagee receipts evidencing the payment of all such taxes, assessments, levies, fees, rents, charges, fines and impositions. For purposes of this Mortgage, assessments which have been made payable in installments at the application of Mortgagor nevertheless shall be deemed due and payable in their entirety on the earlier of the day the first installment becomes due or payable or a lien.

1.06. Mortgagor shall pay all filing, registration or recording fees; all Federal, State, county and municipal taxes, duties, imposts, assessments and charges; and all expenses incident to the execution, acknowledgment, delivery and recording of this Mortgage, the Note, any security instrument with respect to the Chattels, any

instrument of further assurance and any other instrument supplemental hereto or to be given in connection herewith. Mortgagor shall pay any and all taxes, charges, excises and levies imposed on Mortgagee by reason of the ownership or holding of this Mortgage or the Note, and shall pay all corporate stamp taxes and other taxes required to be paid on this Mortgage or the Note. If Mortgagor fails to make any such payment within five days after written demand, Mortgagee in addition to its other rights and remedies, may pay the amount due, and Mortgagor on demand shall reimburse Mortgagee for said amount. The amount so advanced by Mortgagee shall be a part of the indebtedness secured by this Mortgage. In the event of the passage of any law deducting from the value of the Premises, for purposes of taxation, the amount of any lien thereon or changing in any way the laws for the taxation of Mortgages or debts secured by Mortgages or the manner of the collection of any such taxes, so as to effect this Mortgage; then the indebtedness secured hereby, at the option of Mortgagee and upon thirty days written notice to Mortgagor, immediately shall become due and payable, provided, however, that said option shall be unavailing and the Note and this Mortgage shall remain in effect if, without violating such law or any applicable usury or other law, Mortgagor lawfully pays when due such taxes, including any interest or penalties thereon, to or for Mortgagee.

1.07. Mortgagor shall pay, from time to time when due, all lawful claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in, or permit the creation of, a lien on the Property or any part thereof, or on the revenues, income, rents, issues and profits arising therefrom. Mortgagor shall do or cause to be done everything necessary so that the lien hereof shall be fully preserved, at the cost of Mortgagee, without expense to Mortgagee.

1.08. Mortgagor shall not be required to pay the obligations imposed upon Mortgagor by Sections 1.05, 1.06 or 1.07 hereof so long as Mortgagor, in good faith and at its own expense, shall contest the validity or amount of such obligation by appropriate legal proceedings, provided such proceedings shall prevent the collection thereof or other realization thereon and shall not result in the sale or forfeiture of the Property or any part thereof to satisfy the same. During any such contest, Mortgagor, at the option of Mortgagee, shall provide security satisfactory to Mortgagee assuring the discharge of Mortgagor's obligations hereunder and of any additional charge, penalty or expense arising from or incurred as a result of such contest. If, at any time, the payment of any obligation imposed upon Mortgagor under Section 1.05 shall become necessary to prevent the delivery of a tax deed conveying the Premises or any portion thereof because of nonpayment, then Mortgagor shall pay such obligation in sufficient time to prevent the delivery of such tax deed.

1.09. Mortgagor shall keep the Improvements and Chattels insured for the benefit of Mortgagee against loss by fire, casualty and such other hazards as may be specified by Mortgagee. Mortgagor shall further maintain in full force and effect at all times while any sums are outstanding under the Note, general liability insurance. All insurance to be maintained by Mortgagor hereunder shall be written in forms, amounts

and by companies reasonably satisfactory to Mortgagee, naming Mortgagee as insured. Mortgagor shall pay when due all premiums for such insurance. The policy or policies of such insurance, and renewals thereof, shall be delivered to Mortgagee, and shall have attached thereto a standard noncontributing mortgagee endorsement in favor of and entitling Mortgagee to collect any and all proceeds payable under all such insurance, as well as a standard waiver of subrogation endorsement, and shall contain provisions for ten days notice to Mortgagee prior to any cancellation thereof, all in form and substance satisfactory to Mortgagee. Mortgagor shall reimburse Mortgagee on demand for any premiums for insurance paid by Mortgagee on Mortgagor's default in maintaining any insurance required hereunder or in delivering the insurance policies to Mortgagee as provided herein.

Mortgagor shall give Mortgagee prompt notice of any loss covered by such insurance. In the event of any losses, the proceeds of insurance paid to Mortgagee shall be applied:

- (a) For the replacement and/or repair of the improvement damaged; or
- (b) Toward the purchase of additional property, which shall be secured to the same extent by this Mortgage as if originally acquired with Note proceeds; or
- (c) For the construction of additional improvements on the property; or
- (d) To prepay the Note without prepayment penalty; or for a combination of these purposes.

Mortgagor, subject to the approval of Mortgagee such approval not to be unreasonably withheld, conditioned or delayed, has the right to select which of these alternatives it desires to exercise and shall notify Mortgagee in writing in advance which alternative is selected by Mortgagor.

Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder, unless such insurance names Mortgagee as insured, with any and all proceeds payable to Mortgagee under a standard mortgage endorsement of the character above described. Mortgagor promptly shall deliver to Mortgagee the policy or policies of such insurance.

1.10 Mortgagor shall keep adequate records and books of account in accordance with generally accepted accounting principles and shall permit Mortgagee, and the agents, accountants and attorneys of Mortgagee, to visit and inspect the Premises and examine the records, books of account and papers of Mortgagor which reflect upon its financial condition, the income and expenses of the Property or the business conducted thereat, and to discuss the affairs, finances and accounts of Mortgagor with the officers, agents, accountants and attorneys of Mortgagor, at such

reasonable times as Mortgagee may request. Mortgagor promptly shall deliver to Mortgagee such other information with respect to Mortgagor and the Property as Mortgagee from time to time reasonably may request in writing.

1.11. Mortgagor shall not commit, suffer or permit any waste on or to the Property. Mortgagor at all times shall maintain the Improvements in good operating order and condition, and promptly shall make all repairs, renewals, replacements, additions and improvements in connection therewith which are necessary. The Improvements shall not be removed, demolished or materially altered without the prior written consent of Mortgagee in each instance such consent not to be unreasonably withheld, conditioned or delayed. None of the Chattels shall be removed without the prior written consent of Mortgagee in each instance, except where appropriate replacements free of superior title, liens, claims and encumbrances are timely made having a value at least equal to the value of the Chattels removed. Mortgagor shall not make any change in the use of the Property which will in any way increase the risk of damage to the Property by fire or other hazard.

1.12. Mortgagor represents and warrants that to its knowledge, no hazardous substance has been released, stored, spilled or otherwise deposited on the Premises, or used in the construction of the Premises, nor has any part of the Premises been used for a landfill, the result of which could impose any liability on Mortgagee under applicable Federal or state laws or regulations, exceptions may be disclosed in the Loan Agreement. Mortgagor shall not permit the release, storage, spilling or deposit on the Premises of any hazardous substance, and shall not permit the use of the Premises in violation of any applicable environmental law. As used herein, a hazardous substance shall mean any substance listed as hazardous or toxic in the regulations implementing the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or other applicable environmental law. Mortgagor shall indemnify and hold Mortgagee harmless from and against all liability, claim, loss, damage or expense, including reasonable attorneys' fees, arising in connection with the representations, warranties and covenants herein.

1.13. Mortgagor shall not sell, transfer, assign or convey the Property or any part thereof or any interest, or enter into a lease of all or any portion of the Property, without the prior written consent of Mortgagee in each instance. Mortgagor shall not further mortgage, pledge or otherwise encumber the Property or any part thereof or any interest therein without the prior written consent of Mortgagee in each instance, except as customarily imposed in connection with the development of real property (i.e. Utility easements, etc.)

1.14. All awards and compensation payable to Mortgagor as a result of any condemnation or other taking, or of any purchase in lieu thereof, of all or any portion of the Premises, are hereby assigned to and shall be paid to Mortgagee. Mortgagor hereby authorizes Mortgagee to collect and receive such awards and compensation, to give

proper receipts and acquittances therefor, and to apply the same to the indebtedness evidenced by the Note, notwithstanding that such indebtedness may not then be due and payable. If any portion of such awards or compensation shall be applied to reduce the indebtedness evidenced by the Note, the same shall be applied to the then unpaid installments of principal under the Note in the inverse order of their maturity, so that the regular payments under the Note shall not be reduced or altered in any manner. Mortgagee shall be under no obligation to question the amount of any such award or compensation, and may accept the same in the amount in which the same shall be paid. Mortgagor, immediately upon obtaining knowledge of the institution of any proceedings for the condemnation or taking of the Premises or any portion thereof, shall notify Mortgagee of the pendency of such proceedings. Mortgagee may participate in any such proceedings and Mortgagor from time to time shall deliver to Mortgagee all instruments requested by Mortgagee to permit such participation. Mortgagor, upon request by Mortgagee, shall execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid awards and compensation to Mortgagee free and clear of all liens, claims or encumbrances. Mortgagee shall not be limited to the interest paid on any award or compensation, but shall be entitled to the payment of interest by Mortgagor at the applicable rate provided in the Note and herein.

1.15. Mortgagor, without the prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, of Mortgagee in each instance, shall not (a) execute an assignment of the rents or any part thereof from the Premises unless such assignment shall provide that it is subordinate to the assignment contained in this Mortgage, and all modifications, extensions and other amendments hereof, and any assignment of rents executed pursuant thereto, or (b) terminate or consent to the cancellation or surrender of any lease of the Premises or any part thereof, now existing or hereafter to be made, except where the lessee is in default thereunder, or (c) modify any such lease so as to shorten the unexpired term thereof or decrease the amount of the rents payable thereunder, or (d) accept prepayments of any installments of rents to become due under such leases, except prepayments in the nature of security for the performance of the lessees thereunder, or (e) commingle any lease security deposits of lessees with any other funds of Mortgagor, or (f) in any other manner impair the value of the Property or the security of this Mortgage. Mortgagor shall at all times promptly and faithfully pay and perform, or cause to be paid and performed, all of the terms, covenants and conditions contained in all leases of the Premises now or hereafter existing, on the part of the lessor thereunder to be paid or performed, and shall at all times compel the payment and performance by the lessee under each lease of all of the terms, covenants and conditions by such lessee to be paid or performed thereunder. If any of such leases provide for the giving by the lessee of certificates with respect to the status of such leases, Mortgagor shall exercise its right to request such certificates within ten days after any request therefor by Mortgagee. Mortgagor shall furnish to Mortgagee, within ten days after any request therefor by Mortgagee, a statement certified by Mortgagor containing the names of all lessees of the Premises, the terms of their respective leases, the space occupied and the rentals payable thereunder, and shall deliver to Mortgagee copies of all leases not theretofore delivered to Mortgagee. To the extent not so provided by

applicable law, each lease of the Premises, or any part thereof, shall provide that, in the event of the enforcement by Mortgagee of the remedies provided by law or by this Mortgage, the lessee thereunder, upon request of Mortgagee or any person succeeding to the interest of Mortgagee as a result of such endorsement, automatically will become the lessee of said successor in interest, without change in the provisions of such lease; provided, however, that Mortgagee and said successor in interest shall not be bound by (a) any payment of rent or additional rent for more than one month in advance, except prepayments in the nature of security for the performance by said lessee of its obligations under said lease, or (b) any amendment or modification of the lease made without the prior written consent of Mortgagee or such successor in interest. Each lease also shall provide that, upon request by Mortgagor or said successor in interest, such lessee shall execute and deliver an instrument or instruments confirming such attornment.

1.16. Mortgagor shall pay all costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee in connection with the enforcement of this Mortgage or the Note, the curing of any default by Mortgagor thereunder, or the defense or asserting of any rights, remedies or claims of Mortgagee in respect thereof, by litigation or otherwise. If any action or proceeding is commenced to which Mortgagee is made a party or in which, in the judgment of Mortgagee, it is necessary to defend the lien of this Mortgage or to protect the Property, Mortgagee may appear in such action or proceeding, in the name of Mortgagor or otherwise. Mortgagor shall pay to Mortgagee on demand all costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee in connection with any such action or proceeding, and such costs and expenses shall be a part of the indebtedness secured by this Mortgage.

1.17. If Mortgagor shall fail to pay or perform any term, covenant or condition of this Mortgage, including without limitation the provisions of Sections 1.05, 1.06 and 1.07 hereof, but subject to Section 1.08 hereof, Mortgagee may make advances to pay or perform the same on behalf of Mortgagor. All sums so advanced shall be paid by Mortgagor to Mortgagee on demand and shall be a lien upon the Property secured by this Mortgage. The provisions of this Section 1.17 shall not prevent any default in the payment, observance or performance of any term, covenant or condition of this Mortgage from constituting an Event of Default, and shall not be deemed to extend or otherwise modify or amend the date when any payments are due hereunder.

1.18. Mortgagor, within five days after written request therefor by Mortgagee, shall furnish a written statement, certified and duly acknowledged by Mortgagor, setting forth the amount due on this Mortgage, the terms of payment and the maturity date of the Note, the date to which interest has been paid, and whether any offsets or defenses exist against any of the indebtedness secured hereby. If any offset or defense is alleged to exist, the nature thereof shall be set forth in detail in said statement.



1.19. It is understood and agreed that the Loan Agreement is incorporated herein as if set forth herein and that any default by Mortgagor in any of the terms of such Loan Agreement shall be deemed a default in the terms and conditions of this Mortgage.

## **ARTICLE II**

### **Events of Default and Remedies**

2.01. The whole of the principal indebtedness evidenced by the Note and all accrued interest immediately shall become due and payable, at the option of Mortgagee or the heirs, executors, administrators, successors or assigns of Mortgagee, upon the happening of any one or more of the following Events of Default, except as permitted by this Mortgage or the Loan Agreement:

- (a) If default shall be made in the payment of any principal or interest to be paid under the Note, when and as the same shall become due and payable, or if default shall be made and shall have continued for a period of ten (10) days in the payment of any other amount due under the Note or this Mortgage, when and as the same shall become due and payable as in the Note or this Mortgage provided; or
- (b) If default shall be made in the due observance or performance of any term, covenant or condition on the part of Mortgagor contained in Sections 1.02, 1.03, 1.04, 1.05, 1.06, 1.07, or 1.09 of this Mortgage, and such default shall have continued for a period of thirty (30) days after written notice thereof shall have been given by Mortgagee to Mortgagor; or
- (c) If Mortgagor sells, transfers, assigns or conveys the Property or any part thereof or any interest therein, or enters into a lease of all or any portion of the Property, without prior written consent of Mortgagee, or Mortgagor further mortgages, pledges or otherwise encumbers the Property, or any part thereof without the prior written consent of Mortgagee; or
- (d) If default shall be made in the due payment, observance or performance of any other term, covenant or condition on the part of Mortgagor in the Note or in this Mortgage contained, and such default shall have continued for a period of thirty (30) days after written notice thereof shall have been given by Mortgagee to Mortgagor, or if any representation made by Mortgagor in this Mortgage shall be incorrect; or
- (e) If final judgment for the payment of money shall be rendered against Mortgagor and Mortgagor shall not cause the same to be discharged within sixty days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment

was granted and secure a stay of execution thereof pending such appeal;  
or

(f) If Mortgagor shall file or consents to the filing of a petition in bankruptcy, or commences or consents to the commencement of any proceeding pursuant to the Federal Bankruptcy Act or any similar Federal or State law, now or hereafter in effect, relating to the reorganization of Mortgagor or the arrangement or readjustment of the debts of Mortgagor; or if a petition in bankruptcy, insolvency proceeding or petition for reorganization shall be filed against Mortgagor and is not withdrawn or dismissed within sixty days; or if, by decree of a court of competent jurisdiction, Mortgagor shall be adjudicated a bankrupt or be declared insolvent, or a petition for the reorganization of Mortgagor is granted; or if Mortgagor shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or if Mortgagor shall consent to the appointment of a receiver, liquidator or Mortgagor or of all or any part of Mortgagor's property; or if, by the order of a court of competent jurisdiction, a receiver, liquidator or trustee of the Property or any part thereof, or of Mortgagor or any of Mortgagor's property, shall be appointed and such order shall not be discharged or dismissed within sixty days after such appointment; or if there is an attachment or sequestration of any of the property of Mortgagor and the same is not discharged or bonded in full within ten days.

2.02. Upon the occurrence of any such Event of Default, Mortgagee, personally or by its agents, employees, nominees or attorneys, at the expense of Mortgagor may to the extent permitted by applicable law: (a) enter into and upon the Property, and each and every part thereof, and may dispossess and exclude Mortgagor and its agents and servants therefrom; (b) use, operate, manage, control, insure, maintain, restore and otherwise deal with the Property and conduct the business thereat; (c) make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as Mortgagee may deem advisable; and (d) exercise all rights and powers of Mortgagor with respect to the Property, including without limitation the right to enter into, cancel, enforce or modify leases, obtain and evict tenants, and demand, sue for, collect and receive all earnings, revenues, rents, issues, profits and other income of the Premises, in the name of Mortgagor or otherwise.

2.03. Upon the occurrence of any such Event of Default, Mortgagee shall be entitled to collect and receive all earnings, revenues, income, rents, issues and profits of the Property and every part thereof. After deducting the costs and expenses of conducting the operations and business at the Property, and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements, and amounts necessary to pay for taxes, assessments, insurance and any other proper charges upon the Property or any part thereof, and just and reasonable compensation for

the services of Mortgagee and for all agents, nominees, attorneys and other employees by it properly engaged and employed; then Mortgagee shall apply the moneys arising as aforesaid, first, to the payment of the principal of the Note and the interest thereon, when and as the same shall become payable and, second, to the payment of any other sums required to be paid by Mortgagor under this Mortgage or the Note.

2.04. Upon the occurrence of any such Event of Default, Mortgagee, with or without entry, personally or by the agents, employees, nominees or attorneys of Mortgagee, may:

(a) declare the unpaid principal balance and accrued interest on the Note immediately due; and/or

(b) sell the Property or any part thereof pursuant to any procedures provided by applicable law, and all estate, right, title, interest, claim and demand therein, and right of redemption thereof, as one parcel or in parcels, pursuant to the procedures provided by law, at one or more sale or sales, at such time and place upon such terms and after such notice thereof as may be required or permitted by law; and/or

(c) institute proceedings for the complete or partial foreclosure of this Mortgage; and/or

(d) take such steps to protect and enforce its rights whether by suit, action or proceeding in equity or at law for the specific performance of any term, covenant or condition in the Note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect.

2.05. Upon the occurrence of any such Event of Default, Mortgagee or the agents, successors or assigns of Mortgagee are hereby authorized and empowered to grant, bargain, sell, release and convey said Premises, at public venue, and to execute and deliver to the purchaser or purchasers at the sale good and sufficient deeds of conveyance in law, pursuant to the statute in such case made and provided.

2.06. Mortgagor, for itself and all who may claim under it, hereby waives, to the extent that it lawfully may, all right to have the Property marshaled upon any foreclosure hereof, and waives trial by jury and the right to impose any defense, setoff or counterclaim to any action brought by the holder of this Mortgage to enforce its rights hereunder. Mortgagor releases and relinquishes all rights of homestead in and to the Premises. After the happening of any Event of Default, and immediately upon the commencement of any suit, action or proceeding by Mortgagee to obtain judgment for the principal of, or interest on, the Note and other sums required to be paid by Mortgagor

pursuant to any provisions of the Note or this Mortgage, or of any other nature in aid of the enforcement of the Note or this Mortgage, Mortgagor (a) shall waive the issuance and service of process and enter its voluntary appearance in such suit, action or proceeding, and (b) if required by Mortgagee, shall consent to the appointment of a receiver or receivers of the Property and of all the earnings, revenues, income, rents, issues and profits thereof. After the happening of any Event of Default, or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof, or upon the commencement of any other judicial proceeding to enforce any right of Mortgagee; Mortgagee shall be entitled, as matter of right, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the Mortgage indebtedness or the solvency or insolvency of Mortgagor, forthwith either before or after declaring the unpaid principal of the Note to be due and payable, to the appointment of a receiver or receivers of the Property and of all the earnings, revenues, income rents, issues and profits thereof. Mortgagee may be appointed as such receiver. Notwithstanding the appointment of any receiver, liquidator or Mortgagor, or of any of its property, or of the Property or any part thereof, Mortgagee shall be entitled to retain possession and control of all property now or hereafter held under this Mortgage. During the continuance of any Event of Default and pending the exercise by Mortgagee of the right to exclude Mortgagor from any and all part of the Property, Mortgagor agrees to pay the fair and reasonable rental value for the use and occupancy of the Property or any portion thereof which are in its possession for such period and, upon default of any such payment, shall vacate and surrender possession of the Property to Mortgagee or to a receiver, if any, and in default thereof may be evicted by any summary action or proceeding for the recovery or possession of premises for nonpayment of rent, however designated. Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement, at the time and place appointed for such sale or any adjournment thereof, of the new time and place of the adjourned sale or sales. Except as otherwise provided by any applicable provision of law, Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

2.07. Upon the completion of any sale or sales made by Mortgagee under or by virtue of this Article II, Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold. Mortgagor hereby irrevocably appoints Mortgagee the true and lawful attorney of Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold. Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power. Mortgagor hereby ratifies and confirms all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor, if so requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Mortgagee, for the purpose as may be designated in such

request. Any such sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming through or under Mortgagor.

2.08. The purchase money, proceeds or avails of any sale made under or by virtue of this Article II, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this Article II or otherwise, shall be applied as follows:

First, to the payment of the costs and expenses of such sale, including reasonable compensation to Mortgagee, and the agents and counsel of Mortgagee, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, and all taxes or assessments, other than those subject to which the Property shall have been sold.

Second, to the payment of the whole amount then due, owing or unpaid upon the Note for principal or interest.

Third, to the payment of any other sums required to be paid by Mortgagor pursuant to any provisions of this Mortgage or of the Note, including all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage or in connection with the enforcement thereof.

Fourth, to the payment of the surplus, if any, to whosoever may be lawfully entitled to receive the same.

2.09. Upon any sale made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Property or any part thereof. In lieu of paying cash for the Property may make settlement for the purchase price for the Property by crediting the indebtedness secured by this Mortgage against the net purchase price, after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage. In the event of any such sale, the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by Mortgagor pursuant to this Mortgage, immediately shall become due and payable. In the event Mortgagor shall fail forthwith to pay such amounts on demand, Mortgagee shall be entitled and empowered to institute such action or proceeding at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final

decree against Mortgagor and collect out of the property of Mortgagor wherever situated, as well as out of the Property, in any manner provided by law, moneys adjudged or decreed to be payable. Mortgagee shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the provisions of this Mortgage; and the right of Mortgagee to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof. In the event of a sale of the Property, and of the application of the proceeds of sale, as in this Mortgage provided, to the payment of the debt hereby secured, Mortgagee shall be entitled to enforce payment of, and to receive all amounts then remaining due and unpaid upon, the Note, and to enforce payment of all other charges, payments and costs due under this Mortgage, and shall be entitled to recover judgment for any portion of the debt remaining unpaid. No recovery of any judgment by Mortgagee and no levy of any execution under any judgment upon the Property or upon any other property of Mortgagor shall affect in any manner or to any extent, the lien of this Mortgage upon the Property or any part thereof, of any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers or remedies shall continue unimpaired as before.

2.10. No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other rights or remedies. All rights and remedies of Mortgagee shall be cumulative, may be exercised singly or concurrently, and shall be in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Mortgagee to exercise any right or remedy under this Mortgage shall impair any such right or remedy or shall be construed to be a waiver of any Event of Default or any acquiescence therein. Every right, remedy and power given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No waiver by Mortgagee shall be effective unless in writing and then only to the extent specifically stated. Without limiting the generality of the foregoing, any payment by Mortgagee for insurance premiums, real estate taxes, assessments, water charges or sewer rents or other charges affecting the Premises, or payments made in connection with any lien superior to the lien of this Mortgage, shall not constitute a waiver of any default by Mortgagor in making such payments and shall not obligate Mortgagee to make any such payments thereafter. No waiver of any right or remedy hereunder shall be deemed to be a waiver of such right or remedy as to any subsequent default hereunder.

2.11. Mortgagor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any stay or extension or moratorium law, or any exemption from execution or sale of the Property or any part thereof, any law now or hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale or sales thereof, wherever enacted and whether now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage. Mortgagor, after any such sale or sales, shall not claim or exercise any right under any statute heretofore or hereafter enacted to redeem the property so sold or

any part thereof. Mortgagor hereby expressly waives, to the extent permitted by law, all benefit or advantage of any and all such law or laws. Mortgagor covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Mortgagee, and agrees to suffer and permit the execution of every power and right herein or by law provided to Mortgagee as though no such law or laws had been made or enacted.

### **ARTICLE III**

#### **Miscellaneous**

3.01. Mortgagor shall have the right to prepay the indebtedness evidenced by the Note, in whole or in part, without penalty, upon ten days prior written notice to Mortgagee. The installment payments provided for in the Note shall continue without change after any such prepayment.

3.02. This Mortgage shall be construed in accordance with the laws of the State of Florida. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. In the event any one or more of the provisions of this Mortgage or in the Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability, at the option of Mortgagee, shall not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein to the extent of such invalidity, illegality or unenforceability. No provision of this Mortgage or the Note shall require or be construed as requiring the payment of, or permit the collection of, interest in excess of the maximum amount permitted by applicable law. Mortgagor shall not be obligated to pay any interest in excess of such maximum amount. Mortgagor acknowledges that it has received a true copy of the Note and this Mortgage.

3.03. Usury. This Mortgage and all other agreements are expressly limited so that in no event whatsoever, whether by acceleration or maturity of the Note or otherwise, shall the amount paid or agreed to be paid for the use, forbearance, or detention of the money advanced or to be advanced or secured hereby exceed the highest lawful rate permissible. In determining whether or not the rate of interest exceeds the highest lawful rate, the parties intend that all sums paid hereunder which are deemed interest of the purpose of determining usury be prorated, allocated, or spread in equal parts over the longest lawful period of time permitted. If, from any circumstances whatsoever, fulfillment of any provision hereof or any other agreement securing or related to the Note at any time performance of such provision shall be due shall involve the payment of interest in excess of that authorized by law, the obligation to be fulfilled shall be reduced to a limit so authorized. If, from any circumstance whatsoever, the Mortgagee shall ever receive as interest an amount which would exceed the highest lawful rate, the amount which would be excessive shall, at Mortgagee's option, be either applied to the reduction of the unpaid principal balance of the Note (and not to the payment of interest) or refunded to the person entitled thereto, and, to the extent permitted by law, the

Mortgagee shall not be subject to any penalty provided for the contracting for, charging or receiving interest in excess of the maximum lawful rate, regardless of when or the circumstances under which such refund or application was made.

3.04. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by Federal Express courier or registered or certified mail, return receipt requested, with postage prepaid, to any party hereto at its address above stated. Any party hereto may change the address to which notices are to be mailed by notice given in accordance with this Section 3.04.

3.05. This Mortgage cannot be modified or discharged orally and no agreement shall be effective to modify or discharge this Mortgage in whole or in part unless it is in writing and signed by the party against which enforcement of the modification or discharge is sought.

3.06. All of the terms, covenants and conditions of this Mortgage shall run with the land and shall apply to, bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

**IN WITNESS WHEREOF**, this Mortgage has been duly executed by Mortgagor on the date first above written.

[signature page to follow]



IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

The State of Texas       §

§

County of \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of March, 2022,  
by \_\_\_\_\_, \_\_\_\_\_ of and on behalf of IPS ENTERPRISES,  
INC., a Texas corporation.

\_\_\_\_\_  
Notary Public, State of Texas

My commission expires

Instrument  
Drafted by:  
Burdett, Morgan, Williamson & Boykin, L.L.P.

Business Address:  
  
701 South Taylor, Suite 440  
Amarillo, Texas 79101

FLORIDA DOCUMENTARY STAMP TAXES IN THE AMOUNT OF \$\_\_\_\_\_ AND FLORIDA NON-RECURRING INTANGIBLE TAXES IN THE AMOUNT OF \$\_\_\_\_\_ ARE BEING PAID UPON RECORDATION OF THAT CERTAIN MORTGAGE DATED AS OF EVEN DATE HERewith.

## **REAL ESTATE LIEN NOTE**

**Date:** March \_\_\_\_, 2022

**Maker:** IPS ENTERPRISES, INC., a Texas corporation

**Maker Mailing Address:** 2115 W. Pike, Weslaco, Texas 78596

**Payee:** CLI CAPITAL, a Texas real estate investment trust

**Place for Payment:** 905 S. Polk St., Ste. 300, Amarillo, Texas 79101

**Principal Amount:**

\$18,000,000.00, or so much thereof as may from time to time have been advanced hereunder, as shown on the schedule of advancements and payments maintained by Payee.

The sum of all advances made and to be made hereunder shall not at any time exceed the face amount hereof irrespective of payments or prepayments which may be made hereon. Advancements may be made hereunder at various times prior to the maturity upon request of the undersigned, subject to the undersigned's compliance with all terms and provisions hereof, any loan agreement executed by Maker, and the Deed of Trust given by the undersigned to secure payment of this Note.

Advances made on faith hereof and payments made hereon shall be evidenced by posting same to the records of the holder of this Note, and such entries shall be prima facie evidence of the amount owing hereon. Interest shall accrue hereunder only from the date principal amounts are advanced. Prepayments may be made at any time without premium or penalty, and interest shall cease to accrue on all amounts prepaid. Prepayment shall be applied first to accrued interest and then toward the reduction of principal.

Notwithstanding the foregoing, the amounts available to be drawn hereunder shall not exceed (i) the appraised value of the Project (as defined in the Loan Agreement), or (ii) the contracted cost of the Project, excluding "development fees"/profit paid to related entities.

**Late Charge:**

If a payment is ten (10) days or more late, Borrower will be charged five percent (5%) of the unpaid portion of the regularly scheduled payment.

**Annual Interest Rate on Unpaid Principal from Date:**

This Note shall bear interest at a rate per annum that shall from day to day be equal to the lesser of (a) the maximum rate of interest permitted by applicable law; or (b) a variable rate of 1.00% per annum in excess of the Prime Rate of interest published from time to time by the Wall Street Journal in the "Money Rates" section thereof (herein called "Index"), provided however, that the rate of interest payable on this Note shall in no event be less than 5.50% per annum nor more than 8.00% per annum on unpaid principal. If a range of prime rates per annum is so published, "Prime Rate" shall mean the highest interest rate per annum in such published range. If the Prime Rate published in the Wall Street Journal becomes unavailable during the term of this Note, Payee may designate a substitute Prime Rate after notice to Maker. Interest on the unpaid principal of this Note shall be computed on the basis of a 360-day year, applied to the actual number of days in each calendar month. The interest rate charged hereon prior to maturity shall change on the effective date of changes in said Prime Rate as published in The Wall Street Journal. The Index as of March \_\_\_\_, 2022 is 3.25% per annum, resulting in an initial rate hereunder of 5.50% per annum.

**Annual Interest Rate on Matured, Unpaid Amounts:**

The maximum rate of interest permitted by applicable law (when taken together with any other charges or fees which constitute interest).

**Terms of Payment:**

On August 1, 2023, all unpaid accrued interest will be capitalized and added to the loan balance (the "Accrual Date").

Beginning thirty (30) days after the Accrual Date, interest only payments will be payable and continue on or before the same day of each succeeding month until December 1, 2023. Beginning December 1, 2023, monthly principal and interest payments (calculated on a 30-year amortization schedule based upon the outstanding principal balance of the Note, and the Annual Interest Rate being charged under the Note on that date) will be payable and continue on or before the same day of each succeeding month until December 1, 2026, when the entire balance of principal and accrued interest is payable in full. Each installment will be applied first to payment of accrued interest payable on the unpaid principal, and the remainder will be applied to reduction of principal.

If there is an adjustment in the interest rate in effect as set forth above, there shall be an adjustment in the amount of the subsequent monthly payments payable hereunder so that the monthly payments will be in amount sufficient to amortize, in equal monthly payments, the remaining principal balance and interest thereon at the adjusted rate of interest as originally amortized herein (provided, however, that such adjustment shall not affect the maturity date hereof).

Interest shall be computed on the basis of a year of 360 days and for the actual number of days elapsed (including the first day but excluding the last day), not to exceed the highest legal rate.

Maker shall have the right to prepay the Note at any time and in any amount without premium or penalty.

### **Security for Payment:**

This Note is secured by a mortgage of even date from Maker covering the following described real property (hereinafter referred to as the "Property"):

All of that certain real property located in Hillsborough County, Florida, more fully described on Exhibit "A" attached hereto and incorporated herein.

This Note is further secured by a Security Agreement dated March \_\_\_\_, 2022, executed by and between Maker and Payee (the "Security Agreement").

Maker promises to pay to the order of Payee at the place for payment and according to the terms of payment the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

If Maker defaults in the payment of this Note or in the performance of any obligation in any instrument securing or collateral to it, and the default continues after Payee gives Maker notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Payee may declare the unpaid principal balance and earned interest on this Note immediately due. Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest, to the extent permitted by law.

If this Note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due. Reasonable attorney's fees shall be 10% of all amounts due unless either party pleads otherwise.

Interest on the debt evidenced by this Note shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

In addition to any such rights held at common law, the Maker hereby grants to Payee an express contractual right of set-off and a security interest in any type of deposit of Maker in or with Payee, as security for the payment hereof, and agrees that in the event of Maker's default in the payment or performance of this Note, or default under the Mortgage, or any other documents securing this Note, Payee may apply the right of set-off granted hereby without prior notice to Maker (or any Guarantor hereof), and further agrees that Payee shall not be liable for any actual, consequential, exemplary, or other damages of Maker (or any Guarantor hereof), because the right of set-off granted hereby has been exercised with respect to the debt evidenced by this

Note against any account or deposit of Maker, or because of wrongful dishonor of a check or other draft where such dishonor occurs because the right of set-off granted hereby has been so exercised; provided, that this right of offset shall not apply to any account containing tax withholding deposits only.

The Loan Agreement dated March \_\_\_\_, 2022 executed by and between Maker and Payee is incorporated herein for all purposes (the "Loan Agreement").

**THIS NOTE TOGETHER WITH THE MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT, AND LOAN AGREEMENT ENTERED INTO BETWEEN MAKER AND PAYEE CONSTITUTE THE WRITTEN LOAN AGREEMENT AND REPRESENTS THE FINAL AGREEMENT BETWEEN THE PAYEE AND MAKER AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PAYEE AND MAKER. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PAYEE AND MAKER.**

**THE LOAN REPRESENTED BY THIS NOTE IS PAYABLE IN FULL ON DECEMBER 1, 2026, AS SCHEDULED. AT MATURITY, MAKER MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. PAYEE IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. MAKER WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT MAKER MAY OWN OR MAKER WILL HAVE TO FIND A LENDER, WHICH MAY BE THE PAYEE, WILLING TO LEND MAKER THE MONEY. IF MAKER REFINANCE THIS LOAN AT MATURITY, MAKER MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF MAKER OBTAIN REFINANCING FROM THE PAYEE.**

**MAKER HEREBY ACKNOWLEDGES AND REPRESENTS THAT THIS NOTE IS GIVEN FOR A BUSINESS, COMMERCIAL, INVESTMENT, AGRICULTURAL, OR OTHER SIMILAR PURPOSE AND IS NOT GIVEN FOR MAKER'S PERSONAL, FAMILY OR HOUSEHOLD USE. MAKER FURTHER ACKNOWLEDGES AND REPRESENTS THAT THIS NOTE AND THE INDEBTEDNESS EVIDENCED HEREBY ARE NOT SUBJECT TO THE PROVISIONS OF CHAPTER 342 OF THE TEXAS FINANCE CODE.**

Each Maker is responsible for all obligations represented by this Note.

When the context requires, singular nouns and pronouns include the plural.

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

## **SECURITY AGREEMENT**

**This SECURITY AGREEMENT** ("Agreement"), dated March \_\_\_\_, 2022, between IPS ENTERPRISES, INC., a Texas corporation, having an address at 2115 W. Pike, Weslaco, Texas 78596 ("referred to "Debtor""), and CLI CAPITAL, a Texas real estate investment trust, having an address at 905 S. Polk St., Ste. 300, Amarillo, Texas 79101 ("Secured Party").

### **WITNESSETH:**

**WHEREAS**, concurrently herewith Secured Party is lending to Debtor the sum of \$18,000,000.00, or so much thereof as may from time to time have been advanced thereunder as evidenced by a promissory note of even date (the "Note"); and

**WHEREAS**, in order to induce Secured Party to make said loan, Debtor has agreed to pledge to Secured Party certain property as security for the loan;

**WHEREAS**, proceeds of the loan will be used to finance the purchase, construction, renovation, and equipment of certain educational facilities located at located 9839 Skewlee Road, Thonotosassa, Hillsborough County, Florida and 10414 Hart Pond Road, Thonotosassa, Hillsborough County, Florida (the "Project").

**NOW THEREFORE**, in consideration of Ten Dollars, and other valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

**1. Definitions.** The following terms as used in this Agreement shall have the meanings set forth below:

"Collateral" shall mean all accounts, cash proceeds, chattel paper, deposit accounts, equipment, fixtures, general intangibles, goods, instruments, inventory, investment property, proceeds, and tangible chattel paper of Debtor wherever located but directly related to and containing assets garnered through the operation of the Project, now owned or hereafter acquired, to include, but not necessarily restricted to, all furniture, office machines, vehicles, musical instruments, sound system and equipment, computers and computer software programs, materials, supplies, contracts and receivables of Debtor directly related to or located upon the Property, and inventory and all proceeds from the Property or any property acquired by the Debtor subsequent to the date hereof, which is acquired in conjunction with the operation of the Property whether such subsequently acquired property be real or personal, and all proceeds thereof, and all substitutions, replacements and accessions thereto.

"Loan Agreement" shall mean that certain Loan Agreement dated March \_\_\_\_, 2022 entered into by and between Debtor and Secured Party.

"Obligations" shall mean all principal and interest due or to become due under the aforesaid Note, including all renewals, extensions and modifications of the Note or any part thereof, and any other indebtedness or liability of Debtor to Secured Party, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising.

"Property" shall mean the real property and improvements owned by the Debtor and located at 9839 Skewlee Road, Thonotosassa, Hillsborough County, Florida and 10414 Hart Pond Road, Thonotosassa, Hillsborough County, Florida .

**2. Creation Of The Security Interest.** Debtor hereby grants to Secured Party a security interest in all of the right, title and interest of Debtor in and to the Collateral to secure the full and prompt payment and performance of all of the Obligations.

**3. Indebtedness Secured.** The security interest and assignment of rights contained herein is granted to secure the payment and performance of:

- a. any and all loans, advances (including, without limitation, future advances), indebtedness, obligations and liabilities of Debtor to Secured Party however evidenced, whether as principal or guarantor or otherwise, whether now existing or hereafter arising, whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, original, renewed, or extended (the "Indebtedness"), including, without limitation, Indebtedness arising in connection with, or evidenced by, (1) the Note, together with all documents evidencing and securing the Note, and together with all interest thereon; and (2) the Loan Agreement including, without limitation, the Obligations as defined therein;
- b. all costs and expenses reasonably incurred by Secured Party to obtain, preserve, perfect and enforce the security interest granted hereby and all other liens and security interests securing payment of the Secured Indebtedness, to collect the Secured Indebtedness and to maintain, preserve and collect the Collateral, including, but not limited to, taxes, assessments, insurance premiums, repairs, reasonable attorneys' fees and legal expenses, rent, storage

charges, advertising costs, brokerage fees and expenses of sale;  
and

- c. all renewals, extensions and modifications of the Indebtedness or any part thereto.

The Indebtedness and costs mentioned in this Section 3 are collectively referred to herein as the "Secured Indebtedness."

**4. Protection Of The Collateral.** Debtor shall defend the title to the Collateral against all claims and demands whatsoever. Debtor shall keep the Collateral free and clear of all liens, charges, encumbrances, taxes and assessments, and shall pay all taxes, assessments and fees relating to the Collateral. Upon written request by Secured Party, Debtor shall furnish further assurances of title, execute any further instruments and do any other acts necessary to effectuate the purposes and provisions of this Agreement. Except in the ordinary course of Debtor's operations, Debtor shall not sell, exchange, assign, transfer or otherwise dispose of the Collateral, without the prior written consent of Secured Party in each instance. The risk of loss of the Collateral at all times shall be borne by Debtor. Debtor shall keep the Collateral in good repair and condition and shall not misuse, abuse or waste the Collateral or allow the Collateral to deteriorate except for normal wear and tear.

**5. Filing And Recording.** Debtor, at its own cost and expense, shall execute and deliver to Secured Party any financing statements, and shall procure for Secured Party any other documents, necessary or appropriate to protect the security interest granted to Secured Party hereunder against the rights and interests of third parties, and shall cause the same to be duly recorded and filed in all places necessary to perfect the security interest of Secured Party in the Collateral. In the event that any recording or refiling thereof (or filing of any statements of continuation or assignment of any financing statement) is required to protect and preserve such security interest, Debtor, at its own cost and expense, shall cause the same to be re-recorded and/or refiled at the time and in the manner reasonably requested by Secured Party. Debtor hereby authorizes Secured Party to file or refile any financing statements or continuation statements with respect to the security interest granted pursuant to this Agreement which at any time may be required or appropriate, although the same may have been executed only by Secured Party, and to execute such financing statement on behalf of Debtor. Debtor hereby irrevocably designates Secured Party, its agents, representatives and designees, as agent and attorney-in-fact for Debtor for the aforesaid purposes.

**6. Default.** The occurrence of any one or more of the following events (hereinafter referred to as "Events of Default") shall constitute a default hereunder, whether such occurrence is voluntary or involuntary or comes about or is effected by operation of law



or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental authority:

a. If Debtor shall default in the payment of any principal or interest due under the Note; or

b. If Debtor shall fail to pay, perform or observe any covenant, agreement, term or provision of this Agreement, or any other agreement or arrangement now or hereafter entered into between the parties hereto or with respect to any Obligation of Debtor to Secured Party, including but not limited to the Loan Agreement and all related opportunities to cure have lapsed; or

c. If any representation, warranty or other statement of fact herein or in any writing, certificate, report or statement at any time furnished to Secured Party pursuant to or in connection with this Agreement or the Note shall be false or misleading in any material respect; or

d. If Debtor shall: admit in writing its inability to pay its debts generally as they become due; file a petition for relief under the bankruptcy laws or a petition to take advantage of any insolvency act; make an assignment for the benefit of creditors; commence a proceeding for the appointment of a receiver, trustee, liquidator or conservator of itself or the whole or any substantial part of its property; file a petition or answer seeking reorganization or arrangement or similar relief under the Federal Bankruptcy Laws or any other applicable law or statute of the United States or any State; or if Debtor shall be adjudged bankrupt or insolvent, or a court of competent jurisdiction shall enter any order, judgment or decree appointing a receiver, trustee, liquidator or conservator of Debtor or of the whole or any substantial part of the property of Debtor or approves a petition filed against Debtor seeking reorganization or similar relief under the Federal Bankruptcy Laws or any other applicable law or statute of the United States or any State; or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Debtor or the whole or any substantial part of its property; or if there is commenced against Debtor any proceeding for any of the foregoing relief; or if Debtor by any act indicates its consent to, approval of, or acquiescence in any such proceeding; or

e. If any creditor of Debtor for any reason whatsoever hereafter shall accelerate payment in whole or in part of any outstanding Obligation owed to it by Debtor under any agreement or arrangement, or if any final judgment (i.e. all appeal rights have terminated) against the Debtor or any

execution against any of its property for any amount remains unpaid, unstayed or undismissed for a period in excess of ten (10) days; or

f. If Debtor or any guarantor or surety of any Obligation shall cease to exist; or

g. If there occur any reduction in the value of the Collateral or any act of Debtor which imperils the prospect of the full performance or satisfaction of the Obligations; or

h. If all or any part of the Collateral shall be sold, transferred or assigned, other than in the ordinary course of business, without the prior written consent of Secured Party.

**7. Rights And Remedies.** Upon the occurrence of an Event of Default, the Obligations shall immediately become due and payable in full at the option of Secured Party, or the successors or assigns of Secured Party. Secured Party shall have all rights and remedies provided by the Uniform Commercial Code in effect in the State of Texas on the date hereof. In addition to, or in conjunction with, or substitution for such rights and remedies, Secured Party may at any time and from and after the occurrence of an Event of Default hereunder:

a. foreclose the security interest created herein by any available judicial procedure, or take possession of the Collateral, or any portion thereof, with or without judicial process, and enter any premises where the Collateral may be located for the purpose of taking possession of or removing the same, or rendering the same unusable, or disposing of the Collateral on such premises, and Debtor agrees not to resist or interfere therewith;

b. require Debtor to prepare, assemble or collect the Collateral, at Debtor's own expense, and make the same available to Secured Party at such place as Secured Party may designate, whether at Debtor's premises or elsewhere;

c. sell, lease or otherwise dispose of all or any part of the Collateral, whether in its then condition or after further preparation, in Debtor's name or in its own name, or in the name of such party as Secured Party may designate, either at public or private sale (at which Secured Party shall have the right to purchase), in lots or in bulk, for cash or for credit, with or without representations or warranties, and upon such other terms as Secured Party, may deem advisable; and ten (10) days' written notice of

such public sale date or dates after which private sale may occur, or such lesser period of time in the case of an emergency, shall constitute reasonable notice hereunder;

d. execute and deliver documents of title, certificates of origin, or other evidence of payment, shipment or storage of any Collateral or proceeds on behalf of and in the name of Debtor;

e. remedy any default by Debtor hereunder, without waiving such default, and any monies expended in so doing shall be chargeable with interest to Debtor and added to the Obligations secured hereby; and

f. apply for an injunction to restrain a breach or threatened breach of this Agreement by Debtor.

**8. Cumulative Rights.** All rights, remedies and powers granted to Secured Party herein, or in any instrument or document related hereto, or provided or implied by law or in equity shall be cumulative and may be exercised singly or concurrently on any one or more occasions.

**9. Debtor's Representations And Warranties.** Debtor hereby represents and warrants to Secured Party that:

a. Debtor is not in default under any indenture, mortgage, deed of trust, agreement or other instrument to which it is a party or by which it may be bound. Neither the execution nor the delivery of this Agreement, nor the consummation of the transactions herein contemplated, nor compliance with the provisions hereof, will violate any law or regulation, or any order or decree of any court of governmental authority, or will conflict with, or result in the breach of, or constitute a default under, any indenture, mortgage, deed or trust, agreement or other instrument to which Debtor is a party or by which Debtor may be bound, or result in the creation or imposition of any lien, claim or encumbrance upon any property of Debtor.

b. Debtor has the power to execute, deliver and perform the provisions of this Agreement and all instruments and documents delivered or to be delivered pursuant hereto, and has taken or caused to be taken all necessary or appropriate actions to authorize the execution, delivery and performance of this Agreement and all such instruments and documents.

c. Debtor is the legal and equitable owner of the Collateral, free and clear of all security interests, liens, claims and encumbrances of every kind and nature. No financing statement covering the Collateral or its proceeds is on file in any public office.

d. No default exists, and no event which with notice or the passage of time, or both, would constitute a default under the Collateral by any party thereto, and there are no offsets, claims or defenses against the Obligations evidenced by the Collateral.

e. The place of business, or chief executive office if Debtor maintains more than one place of business, of Debtor is at 2115 W. Pike, Weslaco, Texas 78596.

f. The Collateral is located at 9839 Skewlee Road, Thonotosassa, Hillsborough County, Florida and 10414 Hart Pond Road, Thonotosassa, Hillsborough County, Florida, more fully described on Exhibit "A" attached hereto and incorporated herein.

**10. Notices.** All notices, requests, demands or other communications provided for herein shall be in writing and shall be deemed to have been properly given if sent by registered or certified mail, return receipt requested, with postage prepaid, addressed to the parties at their respective addresses herein above set forth, or at such other addresses as the parties may designate in writing. Debtor immediately shall notify Secured Party of any change in the address of Debtor or discontinuance of the place of business or residence of Debtor.

**11. Modification And Waiver.** No modification or waiver of any provision of this Agreement, and no consent by Secured Party to any breach thereof by Debtor, shall be effective unless such modification or waiver shall be in writing and signed by Secured Party, and the same shall then be effective only for the period and on the conditions and for the specific instances and purposes specified in such writing. No course of dealing between Debtor and Secured Party in exercising any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder. All such rights and remedies shall continue unimpaired, notwithstanding any delay, extension of time, renewal, compromise or other indulgence granted with respect to any of the Obligations. Debtor hereby waives all notice of any such delay, extension of time, renewal, compromise or indulgence, and consents to be bound thereby as fully and effectually as if Debtor expressly had agreed thereto in advance. The aforesaid Note may be negotiated by Secured Party, without releasing Debtor or the Collateral.

**12. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, executors, administrators, successors and assigns. Secured Party may assign this Agreement, and if assigned, the assignee shall be entitled, upon notifying Debtor, to the payment and performance of all of the Obligations and agreements of Debtor hereunder and to all of the rights and remedies of Secured Party hereunder, and Debtor will assert no claims or defenses Debtor may have against Secured Party against the assignee. The gender and number used in this Agreement are used for reference term only and shall apply with the same effect whether the parties are masculine, feminine, neuter, singular or plural.

**13. Miscellaneous.** This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Texas. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Debtor covenants and agrees to execute and deliver to Secured Party on demand such additional assurances, writings and instruments as may be required by Secured Party for purposes of effectuating the intent of this Agreement. The captions in this Agreement are for convenience only, and shall not be considered in construing this Agreement.

**14. Specific Warranties, Covenants, Rights and Remedies.** The Collateral includes accounts, inventory, documents, chattel paper, general intangibles, or instruments, to which the following warranties, covenants, rights and remedies apply:

- a. Debtor's Warranty. Debtor warrants that no obligors whose debts or Obligations are part of the Collateral have any right to setoffs, counterclaims, or adjustments or any defenses in connection with their debts or Obligations.
- b. Debtor's Covenants.
  - (1) Protection of Collateral. Debtor will defend the Collateral against all claims and demands adverse to Secured Party's interest in it and will keep it free from all liens except those for taxes not yet due and from all security interests except this one. The Collateral will remain in Debtor's possession or control at all times, except as otherwise provided in this Agreement. Debtor will maintain the Collateral in good condition and protect it against misuse, abuse, waste, and deterioration except for ordinary wear and tear resulting from its intended use.
  - (2) Insurance. Debtor will insure the Collateral in accord with Secured Party's reasonable requirements regarding choice of carrier,

casualties insured against, and amount of coverage. Policies will be written in favor of Debtor and Secured Party according to their respective interests or according to Secured Party's other requirements. All policies will provide that Secured Party will receive at least ten (10) days' notice before cancellation, and the policies or certificates evidencing them will be provided to Secured Party when issued. Debtor assumes all risk of loss and damage to the Collateral to the extent of any deficiency in insurance coverage. Debtor irrevocably appoints Secured Party as attorney-in-fact to collect any return, unearned premiums, and proceeds of any insurance on the Collateral and to endorse any draft or check deriving from the policies and made payable to Debtor.

- (3) **Secured Party's Costs.** Debtor will pay all expenses incurred by Secured Party in obtaining, preserving, perfecting, defending, and enforcing this security interest or the Collateral and in collecting or enforcing the Note. Expenses for which Debtor is liable include, but are not limited to, taxes, assessments, reasonable attorney's fees, and other legal expenses. These expenses will bear interest from the dates of payments at the highest rate stated in the Note that is part of the Obligation, and Debtor will pay Secured Party this interest on demand at a time and place reasonably specified by Secured Party. These expenses and interest will be part of the Obligation and will be recoverable as such in all respects.
- (4) **Additional Documents.** Debtor will sign any papers that Secured Party considers reasonable and necessary to obtain, maintain, and perfect this security interest or to comply with any relevant law.
- (5) **Notice of Changes.** Debtor will immediately notify Secured Party of any material change in the Collateral; change in Debtor's name, address, or location; change in any matter warranted or represented in this Agreement; change that may affect this security interest; and any Event of Default.
- (6) **Use and Removal of Collateral.** Debtor will use the Collateral primarily according to the stated classification unless Secured Party consents otherwise in writing. Debtor will not permit the Collateral to be affixed to any real estate, except which is also pledged to secure the Obligation, to become an accession to any goods, to be commingled with other goods, or to become a fixtures, accession, or part of a product or mass with other goods except as expressly provided in this Agreement.

None of the collateral shall be removed from its present location or disposed of by Debtor, except for removal in connection with its ordinary course of business, without the prior written consent of Secured Party.

- (7) Sale. Except in the ordinary course of operations, Debtor will not sell, transfer, or encumber any of the Collateral without the prior written consent of Secured Party, except as customarily imposed in connection with the development of real property (i.e. utility easements, etc).

c. Rights and Remedies of Secured Party. Secured Party shall have the following rights and remedies:

- (1) General. Before or after default Secured Party may exercise any or all of these rights and remedies:
  - (a) endorse as Debtor's agent any instruments that are Collateral or that represent proceeds of Collateral;
  - (b) take control of proceeds, including stock received as dividends or as the result of stock splits, and apply the proceeds against the Obligations;
  - (c) take control of funds generated by the Collateral, such as cash dividends and note payments, use them to reduce any part of the Obligation, and exercise all other rights available to an owner of such Collateral except the right to vote or dispose of Collateral before an event of default;
  - (d) at any time transfer any of the Collateral in the name of Secured party or of Debtor, as Secured Party prefers;
  - (e) release any Collateral in Secured Party's possession to any debtor, temporarily or otherwise; and
  - (f) demand, collect, convert, redeem, settle, compromise, receipt for realize on adjust, sue for, and foreclose on the Collateral in Secured Party's or Debtor's name, as Secured Party desires.

Secured Party will not be liable for failure to collect any instrument or for any act or omission on the part of Secured Party or Secured Party's officers, agents, or employees, except willful misconduct.

- (2) Convertible Securities. Secured Party may convert any convertible instrument or investment security in Collateral into any other instrument or investment security or into a combination of cash and other instrument. However, Secured Party will have a duty to convert an instrument in Collateral only after receiving detailed written instructions to that effect from Debtor reasonably in advance of the final conversion date.
- d. Default. If on default Secured Party considers that a public sale or distribution of any Collateral might violate any state or federal securities law, Secured Party may take either of these actions:
  - (1) offer to sell securities privately to purchasers who agree to take them for investment rather than for distribution and who agree to the imposition of restrictive legends on the certificates representing the securities; or
  - (2) sell the securities in an intrastate offering under Sec. 3(a)(11) of the Securities Act of 1933 [15 U.S.C. Sec. 77c(a)(11)]; this sale made in good faith by Secured Party will be deemed "commercially reasonable."

**15. Definitions.** The terms and words used herein, unless otherwise defined herein, shall have the meaning assigned to such terms by the Uniform Commercial Code in the State of Texas.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement on the date first above written.

[signature pages to follow]



IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

THE STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of March, 2022,  
by \_\_\_\_\_, \_\_\_\_\_ on behalf of IPS ENTERPRISES, INC.,  
a Texas corporation.

\_\_\_\_\_  
Notary Public, State of Texas

CLI CAPITAL

By \_\_\_\_\_  
Jason Hall, President

STATE OF TEXAS       §  
                                  §  
COUNTY OF POTTER   §

This instrument was acknowledged before me this \_\_\_\_ day of March, 2022, by Jason Hall, President of CLI CAPITAL.

\_\_\_\_\_  
Notary Public, State of Texas

## **FLORIDA DEPARTMENT OF EDUCATION**

### **LOAN APPROVAL and DELEGATION OF SIGNING AUTHORITY (IDEA Public Schools, Inc. School of Hope Loan in principal amount of \$8,673,535) (Tampa 3 Hart Pond Project)**

This loan approval, delegation of signing authority and the authorization made hereunder is given in connection with the Schools of Hope Program established by Section 1002.333 (“SOH Legislation”), Florida Statutes and the School of Hope Revolving Loan Program (“SOH Loan Program”) established by Section 1001.292, Florida Statutes (the “SOHRLF Legislation”), and that certain State of Florida Department of Education Contract No. 20-817 pursuant to which Building Hope Finance, as Contractor (“Building Hope”), has been engaged to administer and manage the SOH Loan Program whereby approximately \$100 million will be made available by the Florida Department of Education (the “Department”) for loans to Hope Operators (as defined in the SOH Legislation).

The Department has been presented with a completed application for a loan in the principal amount of \$8,673,535 (the “Loan”) relating to the financing of the acquisition, construction and equipment of a charter school facility, located at 10414 Hart Pond Road, Thonotosassa, Florida, from IDEA Public Schools, Inc., a Hope Operator (“IDEA”), IPS Enterprises, Inc., an affiliate and agent of IDEA (“IPS”) for the purpose of borrowing funds from the SOH Loan Program and as the party to the Loan Documents (as defined below) and IDEA Florida, Inc., (“IDEA Florida”) an affiliate of IDEA and the School of Hope charter holder (the “Tampa 3 Application”). The scheduled closing date for this Loan is anticipated to be on or about March 29, 2022\*\*, or such other date as agreed to by the Department, IPS, IDEA Florida and Building Hope (the “Closing Date”).

In connection with the Tampa 3 Application for the Loan, Building Hope has provided the Department with:

1. Credit Committee Report, dated February 11, 2022 (the “Credit Summary”) recommending approval of an acquisition/mini-perm loan in the amount of \$ 8,673,535, pursuant to the terms set forth in the Credit Summary and in that certain Loan Agreement, dated as of the Closing Date \*\* between the Department and IPS (“the Loan Agreement”);

2. the following Loan Documents, (collectively, the “Loan Documents”), current forms of which are attached as Exhibits hereto:

- a) Loan Agreement,
- b) Note, securing the Loan and attached as Exhibit A to the Loan Agreement, from IPS to the Department, to be dated the Closing Date\*\*,
- c) Lease Agreement between IPS, as landlord, and IDEA Florida, as tenant, dated as of the Closing Date,

*\*\*All document dates subject to change, to correspond with Closing Date, when confirmed*

- d) Second Lien Mortgage and Security Agreement (with Assignment of Rents and Leases) from IPS, as mortgagor, to the Department, as mortgagee, to be dated the Closing Date,
- e) Disbursement Agreement among IPS, the Department, and the Loan Administrator to be dated the Closing Date, and
- f) Subordination and Superior Mortgagee's Agreement between CLI Capital, as Senior Lender and the Department, as Subordinate Lender, to be dated the Closing Date.

Based on the Department's review of relevant Florida law, including, but not limited to, the SOH Legislation and the SOHRLF Legislation (the "Authorizing Legislation"), the Tampa 3 Application, the Credit Summary and the Loan Documents, the Department hereby approves the Loan to IPS, as agent for IDEA, in the principal amount of \$8,673,535 as a qualifying loan under the SOH Loan Program and the Authorizing Legislation, on the terms set forth in the Tampa 3 Application, the Credit Summary and the Loan Agreement and further approves all of the Loan Documents to be executed by or on behalf of the Department in connection with the Loan.

In connection with the making, funding and administration of the Loan, Robin Odland, President of Building Hope Finance, is hereby delegated and authorized to execute and deliver, on behalf of the Department, for and in the name of the Department, all documents necessary to effectuate the Loan, including any and all security documents relating to the Loan, and any exhibits, instruments or agreements, and authorized amendments relating to the Loan or such security documents and are authorized to further bind the Department with respect thereto.

*[Signatures appear on following page]*

I certify that the signature of Robin Odland, as the same appears below is his genuine signature.

Signature

Official Title

\_\_\_\_\_  
Robin Odland

President

The delegation and authority hereby conferred shall be effective as of the date set forth below and shall remain in effect until rescinded or modified by the Department.

Such approval and delegation made this \_\_\_\_ day of \_\_\_\_\_ 2022.

FLORIDA DEPARTMENT OF EDUCATION

BY \_\_\_\_\_

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

*[Signature page State Loan Approval IDEA Tampa 3]*

# UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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

1a. ORGANIZATION'S NAME

OR

1b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

1c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

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

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

2c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

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

3a. ORGANIZATION'S NAME

OR

3b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

3c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

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

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

7. **ALTERNATIVE DESIGNATION** (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensors

8. **OPTIONAL FILER REFERENCE DATA:**

## Instructions for UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read and follow all Instructions, especially Instruction 1; use of the correct name for the Debtor is crucial.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. The filing office cannot give legal advice.

Send completed form and any attachments to the filing office, with the required fee.

### ITEM INSTRUCTIONS

A and B. To assist filing offices that might wish to communicate with filer, filer may provide information in item A and item B. These items are optional.

C. Complete item C if filer desires an acknowledgment sent to them. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form the Acknowledgment Copy or a carbon or other copy of this form for use as an acknowledgment copy.

1. **Debtor's name.** Carefully review applicable statutory guidance about providing the debtor's name. Enter only one Debtor name in item 1 -- either an organization's name (1a) or an individual's name (1b). If any part of the Individual Debtor's name will not fit in line 1b, check the box in item 1, leave all of item 1 blank, check the box in item 9 of the Financing Statement Addendum (Form UCC1Ad) and enter the Individual Debtor name in item 10 of the Financing Statement Addendum (Form UCC1Ad). Enter Debtor's correct name. Do not abbreviate words that are not already abbreviated in the Debtor's name. If a portion of the Debtor's name consists of only an initial or an abbreviation rather than a full word, enter only the abbreviation or the initial. If the collateral is held in a trust and the Debtor name is the name of the trust, enter trust name in the Organization's Name box in item 1a.

1a. **Organization Debtor Name.** "Organization Name" means the name of an entity that is not a natural person. A sole proprietorship is **not** an organization, even if the individual proprietor does business under a trade name. If Debtor is a registered organization (e.g., corporation, limited partnership, limited liability company), it is advisable to examine Debtor's current filed public organic records to determine Debtor's correct name. Trade name is insufficient. If a corporate ending (e.g., corporation, limited partnership, limited liability company) is part of the Debtor's name, it must be included. Do not use words that are not part of the Debtor's name.

1b. **Individual Debtor Name.** "Individual Name" means the name of a natural person; this includes the name of an individual doing business as a sole proprietorship, whether or not operating under a trade name. The term includes the name of a decedent where collateral is being administered by a personal representative of the decedent. The term does not include the name of an entity, even if it contains, as part of the entity's name, the name of an individual. Prefixes (e.g., Mr., Mrs., Ms.) and titles (e.g., M.D.) are generally not part of an individual name. Indications of lineage (e.g., Jr., Sr., III) generally are not part of the individual's name, but may be entered in the Suffix box. Enter individual Debtor's surname (family name) in Individual's Surname box, first personal name in First Personal Name box, and all additional names in Additional Name(s)/Initial(s) box.

If a Debtor's name consists of only a single word, enter that word in Individual's Surname box and leave other boxes blank.

For both organization and individual Debtors. Do not use Debtor's trade name, DBA, AKA, FKA, division name, etc. in place of or combined with Debtor's correct name; filer may add such other names as additional Debtors if desired (but this is neither required nor recommended).

1c. Enter a mailing address for the Debtor named in item 1a or 1b.

2. **Additional Debtor's name.** If an additional Debtor is included, complete item 2, determined and formatted per Instruction 1. For additional Debtors, attach either Addendum (Form UCC1Ad) or Additional Party (Form UCC1AP) and follow Instruction 1 for determining and formatting additional names.

3. **Secured Party's name.** Enter name and mailing address for Secured Party or Assignee who will be the Secured Party of record. For additional Secured Parties, attach either Addendum (Form UCC1Ad) or Additional Party (Form UCC1AP). If there has been a full assignment of the initial Secured Party's right to be Secured Party of record before filing this form, either (1) enter Assignor Secured Party's name and mailing address in item 3 of this form and file an Amendment (Form UCC3) [see item 5 of that form]; or (2) enter Assignee's name and mailing address in item 3 of this form and, if desired, also attach Addendum (Form UCC1Ad) giving Assignor Secured Party's name and mailing address in item 11.

4. **Collateral.** Use item 4 to indicate the collateral covered by this financing statement. If space in item 4 is insufficient, continue the collateral description in item 12 of the Addendum (Form UCC1Ad) or attach additional page(s) and incorporate by reference in item 12 (e.g., See Exhibit A). Do not include social security numbers or other personally identifiable information.

*Note:* If this financing statement covers timber to be cut, covers as-extracted collateral, and/or is filed as a fixture filing, attach Addendum (Form UCC1Ad) and complete the required information in items 13, 14, 15, and 16.

5. If collateral is held in a trust or being administered by a decedent's personal representative, check the appropriate box in item 5. If more than one Debtor has an interest in the described collateral and the check box does not apply to the interest of all Debtors, the filer should consider filing a separate Financing Statement (Form UCC1) for each Debtor.

6a. If this financing statement relates to a Public-Finance Transaction, Manufactured-Home Transaction, or a Debtor is a Transmitting Utility, check the appropriate box in item 6a. If a Debtor is a Transmitting Utility and the initial financing statement is filed in connection with a Public-Finance Transaction or Manufactured-Home Transaction, check only that a Debtor is a Transmitting Utility.

6b. If this is an Agricultural Lien (as defined in applicable state's enactment of the Uniform Commercial Code) or if this is not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in item 6b and attach any other items required under other law.

7. **Alternative Designation.** If filer desires (at filer's option) to use the designations lessee and lessor, consignee and consignor, seller and buyer (such as in the case of the sale of a payment intangible, promissory note, account or chattel paper), bailee and bailor, or licensee and licensor instead of Debtor and Secured Party, check the appropriate box in item 7.

8. **Optional Filer Reference Data.** This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 8 any identifying information that filer may find useful. Do not include social security numbers or other personally identifiable information.



VERIFICATION OF CERTIFICATE OF FORMATION  
AND BYLAWS

I, \_\_\_\_\_, \_\_\_\_\_ of IPS ENTERPRISES, INC., a Texas corporation, do hereby confirm and verify that the Certificate of Formation attached hereto as Exhibit "A" is a true and correct copy of the Certificate of Formation filed with the Secretary of State of Texas and there have been no amendments or revisions to said Certificate of Formation, except those attached hereto. Further, I do hereby confirm and verify that the Bylaws attached hereto as Exhibit "B" are a true and correct copy of the Bylaws adopted by IPS ENTERPRISES, INC., and there have been no amendments or revisions to said Bylaws, except those attached hereto.

Executed this \_\_\_\_\_ day of March, 2022.

IPS ENTERPRISES, INC., a Texas corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Notice of Intent and Draft Performance Based Agreement for Jacksonville Campus # 4

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**Proposed Board Action:** For Approval

**Executive Summary:**

IDEA Florida, Inc. seeks to submit a Notice of Intent (NOI) and draft performance-based agreement (PBA) to establish and operate Jacksonville Campus #4 (name TBD). The NOI and draft PBA will be submitted to the Duval County School Board. Subsequent to the submission, the School Board and IDEA Florida, through legal counsel, will negotiate the final terms of the PBA, which will be brought back to this board for approval.

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**Supporting Documentation:** Notice of Intent and Draft Performance Based Agreement for Jacksonville #4

**Presenter:** Adam Miller, VP of Policy and Advocacy

**SCHOOL OF HOPE  
PERFORMANCE-BASED AGREEMENT**

**THE SCHOOL BOARD OF Duval COUNTY, FLORIDA**

**THIS PERFORMANCE-BASED AGREEMENT** entered into as of the\_\_ day of \_\_\_\_\_ by  
and between THE SCHOOL BOARD OF Duval County, FLORIDA, a body corporate operating  
and existing under the Laws of the State of Florida

and

**IDEA Florida, Inc.**

**3105 University Blvd. N., Jacksonville, FL 32211**

a non-profit organization

**Definitions**

Definitions: The following terms shall have the following meanings:

*Department* shall mean the Florida Department of Education.

*District* shall mean the school district for the County as referenced in Art. IX, Section 4, Florida Constitution.

*Governing Board* shall mean the governing board or body of the School of Hope.

*Notice of Intent* shall mean the Hope Operator's Notice of Intent (including amendments) pursuant to State Board of Education Rule 6A-1.0998271, Florida Administrative Code, as submitted to the District.

*Performance-based Agreement* shall mean this Performance-based Agreement entered into between the School of Hope and the District.

*School* shall mean IDEA Jacksonville #4, the School of Hope operated under this Performance-based Agreement

*School Board* shall mean the locally elected school board for the district in which the Hope Operator establishes and operates the School of Hope.

*State* shall mean the State of Florida.

*Superintendent* shall mean the superintendent of schools for the District as referenced in Art. IX, Section 4, Florida Constitution.

## Section 1

- A. Notice of Intent. A copy of the Notice of Intent is attached hereto as Appendix 1 and constitutes a part of this Performance-based Agreement (PBA). In the event of any conflict between the Notice of Intent and any other provision of this PBA, the PBA provision shall control.
- B. Term. The term of this PBA shall be for five (5) full school years commencing on August 1, 2024 and ending on July 30, 2029 unless terminated sooner as provided herein.
- C. Start-Up Date. IDEA Jacksonville #4 shall begin classes in August 2024. The school cannot open absent submission of all required Pre-Opening Documents as specified in Section O of this PBA. The school may defer the opening of the school's operations by providing written notice of such intent to the District and the parents of enrolled students at least 30 calendar days before the date identified above. The deferral does not extend the term of this PBA.
- D. PBA Renewal. This PBA shall be renewed for a term of five (5) years upon the written request of the Hope Operator unless:
1. The school fails to meet the requirements for student performance established pursuant to this PBA;
  2. The school fails to meet the generally accepted standards of fiscal management;  
or
  3. The school materially violates the law or the terms of this PBA.
- E. Location. ~~If the school has identified and secured a facility prior to the execution of this~~

~~PBA, complete section 1. below. If the school has not secured a facility prior to the execution of this PBA, complete section 2. below.]~~

~~1. The school shall be located at [location TBD]. The School must provide a copy of the lease agreement, use agreement, or ownership documents and certificate of occupancy or temporary certificate of occupancy documenting compliance with all applicable codes no later than fifteen (15) days prior to the School's opening. The School shall make facilities accessible to District and the local governing authority that has jurisdiction for safety inspection purposes.~~

2. The school shall be located within the attendance zone or a five mile radius (whichever is greater) of one or more schools identified in Appendix A of the Notice of Intent. When the School secures a facility it shall notify the District in writing and no later than 15 days prior to the School's opening, provide the District a copy of the lease agreement, use agreement, or ownership documents and certificate of occupancy or temporary certificate of occupancy documenting compliance with all applicable codes. The School shall make facilities accessible to District and the local governing authority that has jurisdiction for safety inspection purposes.

F. Grade Levels Served. The School will serve students in the following grades:

- Year 1: K, 1, 2, 6
- Year 2: K, 1, 2, 3, 6, 7
- Year 3: K, 1, 2, 3, 4, 6, 7, 8
- Year 4: K, 1, 2, 3, 4, 5, 6, 7, 8, 9
- Year 5: K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10

The School may, at its discretion, serve students in grade levels not identified above so long as it provides written notice to the District at least 30 days prior to the first day of school. The School may open additional schools to serve students enrolled in or zoned for a persistently low-performing public school as provided for in Section 1002.333(4), Florida Statutes, if the Hope Operator maintains its status under Section 1002.333(3), Florida Statutes.

~~The School WILL NOT serve student in the school readiness program pursuant to Chapter 1002, Part VI, Laws of Florida.~~

~~The School WILL NOT operate a public voluntary pre-kindergarten program for four-year olds.~~

G. Student Recruitment and Enrollment. The School will implement the student recruitment strategies and activities described in the Notice of Intent.

1. The table below includes the projected recruitment and enrollment targets for the

School as described in the Notice of Intent.

Year	Total Projected K-12 Enrollment	% of students that previously attended a Persistently Low-Performing school
Year 1	480	[ 60 % ]
Year 2	720	[ 60 % ]
Year 3	960	[ 60 % ]
Year 4	1200	[ 60 % ]
Year 5	1320	[ 60 % ]

2. If the number of applications exceeds the capacity of the program, class, grade level, or building, all applicants shall have an equal chance of being admitted through a random selection process. The School may choose to provide the following enrollment preferences:

- a. Siblings of currently enrolled students
- b. Children of the school's founders, teachers and staff (so long as the total number of students allowed under this preference constitutes only a small percentage of the charter school's total enrollment)
- c. Other preferences allowed in law.

3. Unless the School is currently receiving the federal Charter School Program Grant authorized under Title V., Part B of the Elementary and Secondary Education Act as amended by the Every Student Succeeds Act, and has been notified by the Department that it is prohibited from doing so, the School shall exempt students from persistently low-performing schools and opportunity zones from the enrollment lottery process. If the number of applicants from persistently low-performing schools and opportunity zones exceeds the capacity of the program class, grade level or building, all such applicants shall have an equal chance of being admitted through a random selection process.

4. If the School is oversubscribed and must conduct an admissions lottery, pursuant to Section 1002.333(5), Florida Statutes, the lottery process must be transparent and open to the public.

5. Enrollment is subject to compliance with the provisions of section 1003.22, Florida Statutes, concerning school entry health examinations and immunizations.

6. A student may withdraw from the School at any time and enroll in another public school, as determined by District or charter school policy, as applicable. The School shall work in conjunction with the parent(s) and the receiving school to ensure that such transfers minimize impact on the student's grades and academic achievement.

7. The School shall be in compliance with Florida Constitutional Class Size Requirements, as applicable to charter schools.

8. The School will implement the parental involvement strategies described in the Notice of Intent.

H. Maintenance of Student Records as Required by Statute

1. The School shall maintain confidentiality of student records as required by federal and state law.

2. The School will maintain active records for current students in accordance with applicable Florida Statutes and State Board of Education rules.

3. All permanent (Category A) records of students leaving the School, whether by graduation, transfer to another public school, or withdrawal to attend another school, will be immediately transferred to the District in accordance with Florida Statutes. Records will be transmitted to the District's records retention department.

4. Records of student progress (Category B) will be transferred to the appropriate school if a student withdraws to attend another public school or any other school. The School may retain copies of the departing student's academic records created during the student's attendance at the School.

5. Upon the withdrawal of a student from the School, the School will retain the student's original records, except that such records will be immediately transferred to another District school when requested by that school. Requests for student records from public or private schools outside of the County and private schools within the County must be made in writing. Only copies of requested records may be provided. Copies only of student records may be provided to parents upon their request unless the student is considered an eligible student under FERPA. The School will retain the student's record for three (3) years after student withdrawal or until requested by another District public school in this County, whichever comes first. At the end of the third year all inactive student records will be returned to the District's records retention department.

6. Upon termination or closure of the School, all student education records and

administrative records shall be transferred immediately to the Sponsor's records retention office for processing and maintenance.

7. The School will comply with all other public record retention requirements for non-student related records in a manner consistent with applicable Florida law. The School shall comply with Fla. Stat. Chapter 119 (the Public Records Act) and all other applicable statutes pertaining to public records.

8. The District will ensure that all student records will be provided immediately to the School upon request and upon enrollment of students in the School from a District school, if applicable.

9. The School must maintain a record of all the students who apply to the School, whether or not they are eventually enrolled. The information shall be made available to the District upon written request. However such requests may not be made until after the October survey period. The School shall maintain documentation of each enrollment lottery conducted. Such documentation shall provide sufficient detail to allow the District to verify that the random selection process utilized by the School was conducted in accordance with section 1002.333(5), Florida Statutes. Records must be maintained in accordance with applicable record retention laws.

I. Exceptional Student Education. Exceptional students shall be provided with programs implemented in accordance with applicable Federal, state and local policies and procedures; and, specifically, the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, sections 1000.05 and 1001.42(4) (l) of the Florida Statutes, and Chapter 6A-6 of the Florida Administrative Code. This includes, but is not limited to:

1. A non-discriminatory policy regarding placement, assessment, identification, and selection.

2. Free appropriate public education (FAPE).

3. Individual Educational Plans (IEP's), to include an annual IEP meeting with the student's family.

Students with disabilities will be educated in the least restrictive environment, and will be segregated only if the nature and severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

Upon enrollment, or notice of acceptance sent to the student, the School may request from the District information related to the student's program and needs, including the student's most recent IEP, which shall be provided within 10 days.



J. Academic Accountability

1. Annual Objectives

a. By September 15th of each year the District shall provide the School with academic student performance data on state required assessments for each student attending the School who was enrolled the prior year in another public school, pursuant to s. 1002.33(7)(a)3., Florida Statutes. The Sponsor may fulfill this requirement by providing the School access to the data.

b. By September 15th of each year the District shall provide the School the rates of academic progress for the prior year for comparable student populations in the district school system. The data shall include proficiency and growth on state assessments for English Language Arts and Mathematics by grade grouping (grades 3-5, 6-8, 9-11) for the following student groups:

- i. Students scoring a level 1 on prior year assessment
- ii. Students scoring a level 2 on prior year assessment
- iii. Students scoring a level 3 or higher on prior year assessments
- iv. Students with disabilities
- v. English Language Learners

c. By October 15th of the first year of the School's operation, the School shall provide its proposed academic achievement goals for the current year to the District. The academic achievement goals shall include, at a minimum, growth and proficiency on state assessments, and may include performance on additional assessments such as the Northwestern Evaluation Association Measure of Academic Progress (NWEA MAP). The goals shall also include the mission-specific educational goals described in the Notice of Intent.

d. The District shall review the proposed academic achievement goals within 30 days of receipt. If the District does not accept the proposed academic achievement goals it shall provide the School a written explanation. If the School and District cannot agree on academic achievement goals either party may request dispute resolution pursuant to s. 1002.333(11), Florida Statutes. If the District does not provide written notification within 30 days of receipt, the goals shall be deemed accepted.

e. By October 15th of the second year of the School's operation, the school shall provide its proposed academic achievement goals for the remaining years of the contract, up to a maximum of four years or the end of the current contract term, whichever occurs first, using the same parameters and testing set forth in Section J.1.c, above. Schools that have contracts in excess of five years shall resubmit proposed academic achievement goals every four years pursuant to the process described in this paragraph.

f. The District shall review the proposed academic achievement goals within 30

days of receipt. If the District does not accept the academic achievement goals it shall provide the School a written explanation. If the District does not respond within 30 days of receipt the academic achievement goals are deemed accepted. If the School and District cannot agree on academic achievement goals either party may request dispute resolution pursuant to s. 1002.333(11), Florida Statutes. The goals may be adjusted at any time upon mutual written consent of both parties.

g. Annually, the School shall report its performance against the academic goals. If the School falls short of the academic achievement goals set forth under the provisions of this contract the District shall report such shortcomings to the Department.

h. The School and District may agree to adjust the goals through a contract amendment or addendum.

## 2. Assessments

a. State required assessments: The School will participate in and administer all State assessment programs and assessments required by law. The School shall facilitate required alternate assessments and comply with state reporting procedures.

b. Additional Assessments: The School shall administer additional assessments as described in the Notice of Intent.

c. If an IEP, 504 Plan and an EP for a student indicates accommodations or an alternate assessment for participation in a State assessment, or District assessment, as applicable, the School will facilitate the accommodations or alternate assessment and comply with State reporting procedures.

d. All School personnel involved with any aspect of the testing process must abide by State policies, procedures, and standards regarding test administration, test security, test audits, and reporting of test results. The School shall designate a testing coordinator and shall be responsible for proper test administration. The School shall permit the District to monitor and proctor all aspects of the School's test administration, if the District deems it necessary.

e. The District shall provide the School with reports on District and State assessments in the same manner and at the same time as for all public schools in the District.

f. The School shall, at its expense, provide adequate technological infrastructure to support all required online test administration.

## K. Non-Renewal and Termination.

1. The District shall make student academic achievement for all students the most

important factor when determining whether to renew or terminate this PBA. The District may choose not to renew or terminate this Performance-based Agreement for any of the following reasons as set forth in section 1002.333, Florida Statutes.

a. Failure to achieve the academic performance expectations set forth pursuant to Section J.1. of this PBA.

b. Failure to meet generally accepted standards of fiscal management.

c. Material violation of this PBA or violation of law.

2. The District shall notify the Governing Board in writing at least ninety days prior to non-renewing, or terminating this PBA.

3. If the District issues a notice of non-renewal or termination, the notice shall state in reasonable detail the grounds for the proposed action and stipulate that the School may, within 14 calendar days of receipt of the notice, request a hearing.

a. A request for a hearing must be authorized by a vote of the Governing Board and be submitted pursuant to the Notice provisions of this Contract.

4. The District may immediately terminate this PBA pursuant to section 1002.33(8)(d), Florida Statutes, if it sets forth in writing the particular facts and circumstances indicating that an immediate and serious danger to the health, safety or welfare of the School's students exists.

5. If the School elects to terminate or non-renew the PBA, it shall provide reasonable prior notice of the election to the District indicating the final date of operation as voted by the Governing Board at a publicly noticed meeting. A board resolution signed by the School's Governing Board chair and secretary, indicating support of this action, shall accompany the written notification provided to the District. The School agrees that such notification shall be considered a voluntary termination by the governing board and a waiver of its right to a hearing or appeal.

6. Upon notice of termination or non-renewal the School shall not remove any public property from the premises.

#### L. Post Termination Provisions

1. The nonrenewal or termination of this PBA must comply with the requirements of Section 1002.33(8), Florida Statutes. If this PBA is not renewed or is terminated, the School shall be responsible for all the debts of the School. The District shall not assume the debt from any contract for services including lease or rental agreements, made between the School and a third party, except for a debt previously detailed and agreed

upon, in writing, by both the District and the Governing Board and that may not reasonably be assumed to have been satisfied by the District.

2. In the event of termination or non-renewal of this charter, any and all leases existing between the District and the School shall be automatically cancelled, unless the lease provides otherwise. In no event shall the District be responsible under any assignment of a lease for any debts or obligations of the School incurred prior to such assignment.

3. In the event of termination or non-renewal any students enrolled at the School may be enrolled at their home District school, or any another school, consistent with the District's student transfer procedures including transfer of all student records to the receiving school. All assets of the School purchased with public funds, including supplies, furniture and equipment, will revert to full ownership of the District (subject to any lawful liens or encumbrances) or as otherwise provided by law. Any unencumbered public funds shall revert to the district or department, as appropriate. Any unencumbered public funds from the charter school, district school board property and improvements, furnishings, and equipment purchased with public funds, or financial or other records pertaining to the School, in the possession of any person, entity, or holding company, other than the charter school, shall be held in trust upon the District's request, until any appeal is resolved. If the School's accounting records fail to clearly establish whether a particular asset was purchased with public funds, then it shall be presumed public funds were utilized and ownership of the asset shall automatically revert to the District.

#### M. Transportation

1. The School shall provide transportation to the School's students consistent with the requirements of ss. 1006.21-27 and 1012.45, Florida Statutes. The governing board of the school may provide transportation through an agreement or contract with the district school board, a private provider, or parents. Transportation may not be a barrier to equal access for all students residing within a reasonable distance of the school.

2. The parties may agree for the District to provide transportation to and from the School. If such agreement is reached it shall be the subject of a separate contract. If agreement is reached with the District the School may utilize, at the School's expense, the District's transportation services for extracurricular events, field trips, and other activities on the same basis and terms as other District schools.

3. The School shall comply with all applicable transportation safety requirements. Should the School choose to implement its own transportation plan rather than contract with the District for transportation services, it shall submit a transportation plan to the District for review and approval. The School shall provide the District the name of the private transportation provider and a copy of the signed contract no later than 10 business days prior to the use of the service.

4. If the School submits data relevant to FTE funding for transportation that is later

determined through the audit procedure to be inaccurate, the School shall be responsible for any reimbursement to the District and State arising as a result of any errors or omissions, misrepresentations or inaccurate projections for which the School is responsible. Any transportation FTE adjustment, which is attributable to error or substantial non-compliance by the School, the District shall deduct such assessed amount from the next available payment otherwise due to the School, without penalty of interest. Any deficit incurred by the School shall be the sole fiscal responsibility of the School and the Sponsor shall have no liability for the same.

#### N. Indemnification

1. Any arrangement entered into to borrow or otherwise secure funds for the School from a source other than the state or a school district shall indemnify the state and the school district from any and all liability including, but not limited to, financial responsibility for the payment of the principal or interest.
2. Any loans, bonds or other financial agreements entered into by the School are not obligations of the state or school district but are obligations of the School and are payable solely from the sources of funds pledged by such agreement.
3. Notwithstanding anything else herein to the contrary, the District shall not:
  - a. Guarantee payment for any purchase made by the School.
  - b. Guarantee payment for any debits incurred by the School.
  - c. Guarantee payment for any loans taken out by the School.
  - d. Lend its good faith and credit in order for the School to obtain a loan or other form of credit.
4. This PBA expressly prohibits the pledging of credit or taxing power of the District or State.

#### O. Pre-Opening Documents

1. The following documents must be provided to the District prior to the opening of the School.
  - a. Facility related documents necessary to operate a public school, including:
    - Lease agreement, use agreement or ownership documentation for facility, pursuant to Section 1.E of this PBA
    - Certificate of occupancy

- Fire inspection
  - Health Inspection
- b. Documentation of fingerprinting of all staff and Governing Board members
- c. Contact information for Governing Board Members



# IDEA

Public Schools

IDEA PUBLIC SCHOOLS IS A NON-PROFIT, HIGH PERFORMING  
CHARTER SCHOOL NETWORK FOCUSED ON COLLEGE FOR ALL.  
OUR ALUMNI GRADUATE COLLEGE AT A RATE 3.5 **TIME**  
THE NATIONAL AVERAGE FOR LOW-INCOME STUDENTS

FOR THE PAST 15  
YEARS 100% OF OUR  
STUDENTS HAVE BEEN  
ACCEPTED TO  
COLLEGE!



137 FREE  
PUBLIC SCHOOLS



70,000  
STUDENTS



GRADES  
PRE-K TO  
12



100%  
COLLEGE BOUND



IDEA Jacksonville #4  
Notice of Intent



## ABOUT IDEA

While serving as corps members with Teach for America, two teachers founded the IDEA Academy as an after school program in Donna, TX in 1998. It was created as a way to help combat some of the major educational deficiencies they saw in their students, focusing the program on student achievement and college readiness. The after-school program took off and in 2000 became a school serving 150 students. Today, just 20 years later, IDEA serves 75,000 students at 137 schools across Texas, Southern Louisiana, and Florida with plans to serve nearly 100,000 students at 200 schools in 10 regions by 2022.

### EXTRA LEARNING DAYS

IDEA Public Schools was named as one of the highest performing public school networks in the country, delivering the equivalent of 80 extra days in math and 74 days in reading instruction per year in Stanford University's CREDO Study.

### AP RESULTS

In total, IDEA scholars took more than 10,000 AP tests during the 2018-19 school year, and 24% of the class of 2018 became AP scholars. That means they passed three or more AP exams. All IDEA students take 11 AP courses before graduation.

### DEMAND

Currently, more than 40,600 families are sitting on waitlists across our regions. This year, we received over 55,000 unique applications representing over 70,000 students.

### GOING TO COLLEGE

100% of graduates from the Class of 2019 gained admission to a 4-year college, with 1,257 students accepted to selective and highly selective colleges, and 13 students accepted to Ivy League Universities.

### NATIONAL RECOGNITION

In the *U.S. News & World Report's* Best High Schools Rankings 2019, eight IDEA College Preparatory high schools eligible for this year's rankings were among the top 500 high schools nationwide.

### ACADEMIC SUCCESS

At IDEA, 90% of our kindergarten students finish the year reading on or above grade level.

## OUR SCHOOLS

Charter schools, such as IDEA, are tuition-free public schools with the freedom to be more innovative, while being held accountable for improved student achievement. They are open to all students and held to the same academic standards as traditional public schools. IDEA focuses on college acceptance and matriculation because we believe education is the single most effective anti-poverty strategy we possess as a nation.

96%

OF OUR  
STUDENTS  
ARE BLACK  
OR HISPANIC



89%

QUALIFY FOR  
FREE & REDUCED  
PRICE MEALS

*Data above is reflective of 2017-18 student population.*



1 RIO GRANDE VALLEY  
est. 2000

2 SAN ANTONIO  
est. 2012

3 AUSTIN  
est. 2012

4 EL PASO  
est. 2018

5 SOUTHERN  
LOUISIANA  
est. 2018

6 TARRANT COUNTY  
est. 2019

7 GREATER HOUSTON  
Opening 2020

8 PERMIAN BASIN  
Opening 2020

9 TAMPA BAY  
Opening 2021

10 JACKSONVILLE  
Opening 2022

# IDEA Public Schools

## Executive Summary

IDEA Public Schools is a non-profit charter school network that educates over 75,000 students in 137 schools across Texas, Louisiana, and Florida. Our mission is to prepare students from underserved communities for success in college and citizenship. Approximately 90% of our students are eligible for free or reduced lunch, 95% are minority, and 100% are going to college.

IDEA believes that every child can and will succeed if given the opportunity and support. No student's potential should be limited by the color of their skin, where they live, or household income. We are committed to a vision of College For All Children. Why do we believe so strongly that every one of our students should go to college?

## **ADULTS WITH A DEGREE**



### **EARNINGS**

\$1.4 million more  
in a lifetime  
(\$33k annually)



### **UNEMPLOYMENT RATE**

50% lower



### **LIFE EXPECTANCY**

Current 25 year olds  
expected to live 10  
years longer



### **INCARCERATION RATES**

5 times lower



### **POVERTY**

3.5 times less likely  
to live under the  
poverty line

Through our high expectations approach, unique curriculum and college support model comprising people, programs, and culture, we are closing the opportunity gap and increasing levels of achievement by preparing students from underserved communities for success in college and citizenship.

Over the last two years, IDEA has met with dozens of parents, educators, community champions, district leadership, school board members, and elected officials at the local and state level. We are humbled by the reception we have received, impressed by the vision and commitment we witnessed, and inspired by the challenges and opportunities that lie ahead.

We look forward to working closely with the school district to ensure that every child in Duval County has access to a high-quality public school that prepares them for college and career.

### **School of Hope Notice of Intent**

As provided for in State Board of Education Rule 6A-1.0998271, Florida Administrative Code, the completed Notice of Intent must be submitted to the Superintendent of the District in which the persistently low-performing school operates with a copy submitted to the Florida Department of Education.

## **Notice of Intent**

### **Cover Sheet**

#### **Hope Operator**

Name of Non-Profit Organization:

IDEA Public Schools\*

IRS FEIN #: 74-2948339

Address: 3105 N. University Blvd.

Jacksonville, FL 32211

Executive Director/CEO:

Colin Sewell

Primary Contact (if different):

Adam Miller

Phone Number: 850-766-9770

Email: Adam.Miller@ideapublicschools.org

Date Organization Received Hope Operator Designation from SBE: March 27, 2018

*\* Include a copy of the Hope Operator Designation Letter from SBE*

*\*Note: IDEA Florida, a Florida not-for-profit entity and non-profit 501(c)3 will serve as the governing body for the public charter schools opened under this Notice of Intent and Performance-based agreement. IDEA Public Schools is a not-for-profit 501(c)3 entity that was approved by the Florida State Board of Education as a Hope Operator, pursuant to S. 1002.333, Florida Statutes. IDEA Florida will contract with IDEA Public Schools or a wholly-owned or controlled subsidiary via a legally executed management agreement.*

#### **Persistently Low-Performing Schools**

See Attachment A

*\* If the School plans to serve students from more than one persistently low-performing public school, please identify all schools in the proposed geographic area in Attachment A.*

#### **Proposed School of Hope**

Name of School: IDEA Jacksonville 4 (Placeholder name. Official name will be determined at later date)

Address/Geographic Area:

Proximity to Persistently Low-Performing School: Within the attendance zone or five miles of one of the PLP schools identified in Attachment A.

**Authorizing Entity**

This Notice of Intent is being filed with:

**School District of Duval County**

I certify that I have the authority to submit this Notice of Intent on behalf of the above name organization and that all information contained herein is complete and accurate. The person named as the primary contact person for the application is so authorized to serve as the primary contact for this application on behalf of the applicant.

*Adam Miller*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

Adam Miller

Vice President of Policy and Advocacy

IDEA Public Schools

## **Section A: Mission Statement**

1. *Provide the mission and vision statements for the proposed School of Hope charter school. The mission is a statement of the fundamental purpose of the school, describing why it exists. The vision statement outlines how the school will operate and what it will achieve in the long term. The mission and vision statement provide the foundation for the entire proposal, and taken together, should illustrate what success looks like.*

**IDEA Public Schools is a non-profit, public charter school network with the mission to prepare students from underserved communities for success in college and citizenship.** College is the most reliable and powerful economic mobility and anti-poverty strategy that we possess as a nation. When a student from the bottom income quartile and a student from the top income quartile attend and graduate from the same selective university, the economic disparities between the two nearly vanish. That's why IDEA makes a promise to every child and every family that attends — you will go to college.

Founded in 2000 in the Rio Grande Valley of Texas, IDEA currently operates 137 public charter schools, serving approximately 70,000 students. For the past 15 years IDEA has sent over 99% of its graduates to college. To date, two-thirds of IDEA graduates have been the first in their families to attend college, fundamentally changing the trajectory of their lives. Our work is changing the rates of academic success and degree completion for low-income and minority students, raising the bar for all schools. IDEA is proving that through an evidence-based, individualized learning program and scalable school model, a high-quality charter management organization (CMO) can broaden its impact across rural and urban communities while continually improving student achievement.

IDEA intentionally and strategically locates its schools in the vicinity of persistently low-performing public schools, launching each new campus with both a K-5 Academy and 6-12 College Prep program on the campus. No enrollment preference is given to students of any race or economic profile, and no students are excluded or limited. However, as required by Florida law, students from persistently low-performing public schools or opportunity zones are provided enrollment preferences.

IDEA serves students with a range of abilities, including those with extensive special education needs. New campuses typically open with grades K, 1, 2, and 6, maturing to a full K-12 campus in seven years. Each campus has two school programs which are supervised by two separate principals—one for the K-5 Academy and one for the 6-12 College Prep. When fully enrolled, academy schools enroll approximately 720 students in K-5 and College Prep enrolls approximately 840 students in 6-12. An Executive Director is responsible for the management of schools and regional operations. Regional leadership hire local operational staff to support campuses and receive technical and professional support from IDEA's team of experts and professionals.

When IDEA looks to open schools in new communities, we make it a top priority to understand the local landscape, historical education context, community strengths, and community challenges. IDEA researches factors such as population growth patterns, local school performance and community resources.

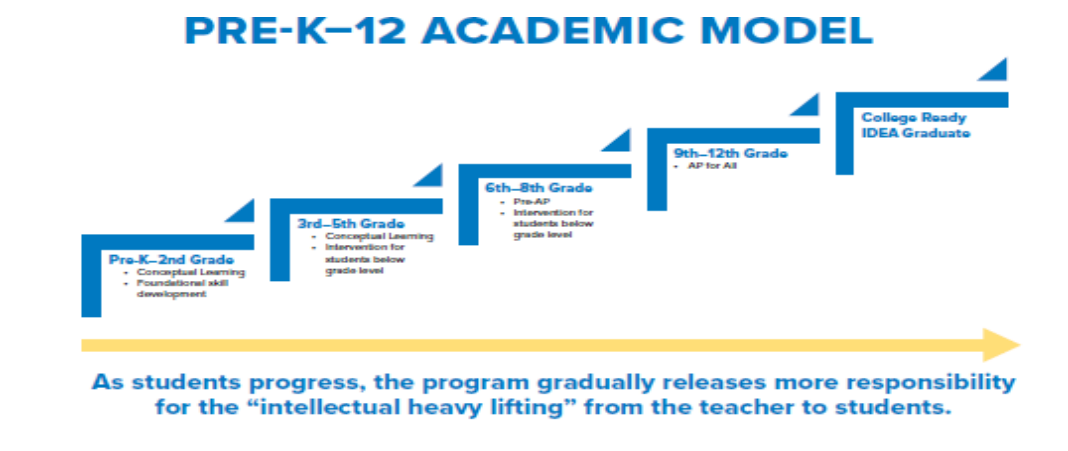
IDEA Public Schools' success lies in our investment in talented people—in classrooms, regional offices, and throughout various functional teams — who all believe deeply that every student can make it to and through college. The departments and teams at IDEA work together to achieve tremendous results. IDEA's success in high-need communities is evidenced by its strong academic results including student academic growth over

time; its strong safety, financial, and operational history; its demonstrated success in increasing student achievement, and students' college acceptance and matriculation rates.

## **Section B: Academic Focus and Plan**

### *1. Describe the proposed charter school's educational program.*

IDEA's goal is to develop a diverse student body prepared for, accepted to, enrolled in, and graduated from college. IDEA deploys a research-based educational model that moves students from high-intensity teacher-led instruction to a student-driven program while enhancing the individualization of instruction with the support of technology-assisted learning. IDEA's K-12 program model moves students to on-grade level performance and beyond to ensure college preparedness. Every child receives individualized instruction that prepares them academically for IDEA's rigorous college-preparatory environment.



Achieving the ambitious outcomes we set for our scholars requires a holistic approach to curriculum that provides a continuum of learning from kindergarten to college graduation. In K-2, we utilize Reading Mastery Transformations Direct Instruction and Imagine Learning. Students build numeracy and foundational math skills through the Eureka Math program and Zearn (note that in Texas, IDEA offers PK at some schools, but has not yet decided if it will offer PK in Florida). In grades 3-5, critical thinking is developed through balanced literacy, and mathematical thinking through IDEA's math program. In middle school, a rigorous Pre-Advanced Placement (AP) curriculum combined with differentiated intervention prepares students for pre-college work. The AP-for-All program begins in ninth grade and ensures that students are prepared for college through a core program of AP courses. All students take at least 11 AP courses with the opportunity to take up to 20 at some campuses. High school graduation, however, is not the end of IDEA students' educational career. Our college success team is responsible for working with IDEA alumni to help them complete their degrees. This includes helping alumni to navigate scheduling, adapting to campus life, providing grants through IDEA's internal employee giving program, and helping IDEA alumni on the same campus to build connections before, during and after their arrival on campus.

New IDEA schools begin with extensive planning in the 24 months before a school opens. This includes hiring

high-potential school leaders who will train as Principals-in-Residence (PIR) at existing, high-performing IDEA schools for two years before they launch campuses; working with the local community to determine need and preferences; hiring an exceptional teaching staff; recruiting high caliber and mission aligned educators; raising philanthropic funds; constructing or renovating a high-quality school facility; and working with families to recruit students. Our schools will give enrollment preferences to students attending or zoned for persistently low-performing public schools or living in opportunity zones, ensuring that IDEA is serving those students in greatest need of high-quality educational options.

Each IDEA campus (Academy and College Prep) typically opens with students enrolled in grades K, 1, 2 (Academy), and 6 (College Prep) and grows by one grade level each subsequent year until each campus is fully enrolled (K-12). This enrollment and growth approach allows IDEA to create a strong school culture and ensures that every child receives individualized instruction that prepares them academically for IDEA's rigorous secondary-level college-preparatory environment. Academic success in a rigorous environment is a necessary goal. The number one factor that will determine whether IDEA graduates make it to and through college is their level of academic preparation.

As schools continue to evolve to meet the needs of modern society, IDEA Public Schools is strengthening our commitment to support students on the path to through college by providing personal technology devices to all of our students, including computers, tablets, and or Wi-Fi devices at no cost to families. Students in kindergarten through eighth grade are issued a Chromebook, and students in ninth through twelfth grades receive a laptop.

*2. Describe the basic learning environment (e.g., classroom-based, independent study, blended learning), including rationale for class size and structure and how the learning environment supports and is consistent with the mission.*

Our students' learning environment is primarily classroom-based. For most students (grades 1-7), approximately 75% of their instructional time is spent in a traditional classroom-based setting with the remaining time spent in individualized and blended learning spaces. Students in grades 8-12 are in traditional classroom environments for near 100% of the time, unless students are receiving specialized interventions.

The learning environments are responsive to the stages of education and development students are in. Class size varies by curriculum delivery method, content and grade level. For example, in Direct Instruction classrooms in grades K-2, students work in small group rotations typically no larger than 12 students. In the middle and high school grades, class sizes are larger. IDEA schools will comply with Florida's class-size requirements.

IDEA strives to ensure all students graduate prepared to thrive independently in college. Therefore, students are expected to take on greater responsibility as they progress throughout their K-12 education. This is an especially rigorous transition as students begin pre-AP coursework in grades 6-8 in preparation for a full load of AP classes in grades 9 through 12. These varied learning environments support IDEA's mission of providing rigorous instruction by giving students the opportunity to be constantly challenged while working at their own pace. In lower grades where students may need more foundational academic support, small group rotations allow for teachers to provide targeted support and more accurately monitor student progress throughout the school year. In the middle grades, supplemental programs like iLearning Hotspot and AR Zone empower students to take ownership of their learning by proceeding through work at a pace that is



most appropriate for them based on skill level, while they simultaneously engage in pre-AP coursework in their core classes.

Support is constant from IDEA's highly trained teachers, who continue to monitor student progress and direct students toward advanced-level coursework when they are ready. In upper grades students have opportunities for tutoring during the school day and after school and are also enrolled in a Road to College course focusing on building independence and organizational skills. IDEA high school students also participate in ACT prep courses which are provided by the school.

IDEA's cohort size of approximately 120 students per grade serves to create a safe, close-knit community. Student culture reflects this at every level, from kindergarten to senior year. Students generally know their peers in each class, as well as every teacher and administrator. In middle school, homeroom cohorts often travel together from class to class during the day. This small cohort size, and deliberate model, makes for a welcoming, nurturing, accountable, and safe atmosphere.

IDEA students participate in blended learning activities via the iLearning Hotspot and Accelerated Reader (AR) Zones. These programs provide individualized supplemental learning opportunities in literacy and mathematics for all academy students. The iLearning Hotspot is an opportunity for students to be challenged by adaptive educational software tailored to their unique strengths and areas in need of improvement. For example, a second grader may be working at a fourth-grade math level or a first-grade level depending on their current math ability. Children move up levels over the course of the school year and remain engaged as the content is individualized to their needs.

The Accelerated Reader (AR) Zones are spaces on each campus that promote a culture of reading to help IDEA's students unlock the world of books and equip themselves for a lifetime of learning and enjoyment. Using the AR computer program, teachers manage and monitor children's independent reading practice. The software allows children to choose books at their reading level, test them when finished, and then pace themselves in pursuit of their end-of-year reading goal.

*3. Describe the school's curriculum in the core academic areas, illustrating how it will prepare students to achieve Florida standards, as provided for in Section 1003.41, Florida Statutes. Describe the primary instructional strategies that the school will expect teachers to use and why they are appropriate for the anticipated student population. Describe the methods and systems teachers will have for providing differentiated instruction to meet the needs of all students, including how students who enter the school below grade level will be engaged in and benefit from the curriculum and the formalized multi-tiered level of supports that will be provided to students who are performing below grade level.*

- o If the curriculum is fully developed, summarize curricular choices (e.g. textbooks) by core subject, as provided for in Section 1003.01(14)(a), Florida Statutes, and the rationale for each. Include as Attachment B, a sample course scope and sequence for a core subject for each division (elementary, middle, and high school) the school would serve.*
- o If the curriculum is not yet fully developed, describe any curricular choices made to date and proposed curricular choices (e.g. textbooks, etc.) and explain the plan for how the curriculum will be completed between approval of the application and the opening of the school. This should include a timeline, milestones, and individuals responsible for included tasks. Also, describe the focus of the curriculum plan and explain how the curriculum will be implemented.*

*Include what core subject areas will be offered and provide evidence on how the curriculum will be aligned to Florida standards.*

In order to achieve the ambitious goals we set for our scholars, IDEA Public Schools implements a multi-pronged approach that prioritizes rigorous on-grade level learning with robust individualized learning opportunities for all students, coupled with intensive intervention for students behind grade level.

Direct Instruction (DI) powers IDEA's core Reading and English Language Arts curriculum for grades K-2. DI is a model that emphasizes carefully planned lessons focused on learning in small increments. It also focuses instruction around clearly defined teaching tasks. DI is based on the theory that by using clear instruction and teaching to mastery, teachers can accelerate learning for all students – high performers as well students with learning disabilities.

Using the DI approach, students are placed in flexible, homogeneous groups for reading and language. Students are expected to score 90% or higher on daily and weekly assessments. Skills are taught in a way that builds upon previous learning; 85% of each lesson reviews or applies previously taught skills and 15% of instruction is introducing new skills. Students advance through the program only after they have demonstrated mastery of the concepts. Students who show exceptional progress can fast-cycle through lessons if they show continued mastery of concepts. Students are individually assessed every five to 10 lessons, and their progress is meticulously tracked by the teacher. In grades three through 8, IDEA will use Amplify for our ELA Curriculum. In math, students engage in Eureka Math, Zearn or Math Nation, each of which prioritizes true math fluency, knowledge-building and problem solving.

The primary goal of our college-readiness efforts is for every student to enter their first year of college without the need for remedial courses in any content area. We focus on this aspect of college readiness because research shows that students who take remedial courses in college are less likely to graduate, and if they do graduate it takes longer to graduate and increases total costs.

### English / Language Arts

At IDEA, the goal is to provide students with a foundation that prepares them to be literate thinkers in school, college, and beyond. Today's literate individual must be able to engage with complex texts independently, read for knowledge, and respond to texts through written and oral communication. Additionally, they must be able to navigate the wide range of texts available through online media, discern audience and purpose, seek evidence, and appreciate a range of cultures and perspectives.

IDEA prioritizes phonics and early literacy through a rigorous implementation of the Direct Instruction (DI) reading and language program in K-1. In grade 2, students continue with the DI reading curriculum, but also engage with *Amplify*, a nationally recognized knowledge-building literacy program. *Amplify* forms the core basis of our reading and writing program through 8<sup>th</sup> grade. Every *Amplify* module, in each grade, focuses on a topic essential for building background knowledge, vocabulary, and writing skills. Whether students are learning about the seasons, the American Revolution, or space exploration they are exposed to works of literature, informational text, and art of the highest quality.

## Math

IDEA's Math curriculum is designed to create students ready for college-level math courses without the need for any remediation classes. In Kindergarten, IDEA uses Eureka Math, and transitions to Zearn for Grades one through five. In grade six, we utilize Math Nation. Students master state mathematics standards in pre-algebra through pre-calculus and study college-level math courses through our AP for all program. While mastering these standards, students develop various math proficiencies: understanding, computing, applying, reasoning, and engaging. Focusing on these math proficiencies prepares students for rigorous math instruction in college and beyond.

## Science

IDEA's Science curriculum is designed to teach students a variety of critical thinking skills they will use throughout their secondary and post-secondary careers. Students will master state standards in a variety of science disciplines, including life science, earth science, biology, chemistry, and physics. While mastering these standards, students perform laboratory experiments, read, write, and solve problems. Upon graduation, students not only have a strong grasp of basic science knowledge, but also a core set of skills they can apply in college and beyond. IDEA Florida has adopted Amplify Science for Kindergarten through Grade two as well as grade six and seven. We are continuing to evaluate options for grades three through five.

## Social Studies

IDEA has adopted Insight Social Studies for grades Kindergarten through grade five. Beginning in middle school, students will take Pre-AP World History and Geography and continue with additional social studies courses aligned to state standards, including the required Civics course.

## Humanities

IDEA's Humanities curriculum is designed to teach students a variety of reading, writing, and critical thinking skills they will use throughout high school, college, and beyond, including graduate school and their professional careers. Students master state standards in a variety of social science disciplines, such as world cultures, geography, history, government, and economics. While mastering these standards, students read primary documents, conduct research, and write analytical and research essays. Upon graduation, students not only have a strong grasp of various social studies themes and concepts, but also a core set of skills they can apply in college and beyond.

## Spanish

IDEA's Spanish curriculum is designed to teach students a variety of Spanish skills they will use throughout their secondary and post-secondary careers. Students master state and national standards focusing on the four major skills: reading, speaking, listening, and writing. While mastering these standards, students learn to answer document-based questions that integrate the four basic skills, write analytical essays, and initiate and maintain conversations.

## Advanced Placement

IDEA has adopted an AP For All approach that will see all students take at least 11 AP courses by the time

they graduate. IDEA focuses on AP for All because peer-reviewed research by the Educational Testing Service, The College Board, and the U.S. Department of Education all show strong evidence that participation in AP strongly correlates with student achievement, college readiness, and college completion. Studies show that students who take AP courses and exams are more likely to enroll in four-year colleges, earn higher grade point averages, obtain a post-secondary degree, and earn higher incomes than students who do not.

IDEA recognizes the challenges that come with thinking differently about AP access and success, and the rigor and skills required. Thus, the middle and high school curriculum was redesigned to ensure that the content and skills being taught in those courses aligns to what students will learn in their AP courses. Every sixth-grade student takes a pre-AP course sequence that will prepare them to read, write and think like an AP student before they take their first AP course as a ninth-grade freshman. IDEA's Science, English and Math courses in high schools integrate content beyond what is required on state assessments to ensure that students are prepared for college-level work in eleventh and twelfth grade. IDEA high school students will take at least 11 AP courses before graduation, better preparing them for success in post-secondary educational opportunities. The goal is that students strive to become AP Scholars—a College Board designation that recognizes students who pass three or more exams with a score of three or higher. For IDEA's graduating class of 2021, 28% of students graduated as AP Scholars.

Our focus on Advanced Placement courses has additional benefits as well:

#### *Stand Out in College Admissions*

College application season can be an anxious time for students and their families. Even for those students who have worked hard throughout high school and done their best, many are not sure if they have acquired the academic skills and experiences that colleges are looking for.

By taking AP courses, high school students signal two things to college admissions officers. First, students demonstrate that they have undertaken the most rigorous classes their high school has to offer. Second, students show that they have what it takes to succeed in an undergraduate environment. In the increasingly competitive admissions process, taking AP courses is a great strategy for differentiating themselves from other applicants.

Additionally, AP courses offer college admissions officers a consistent measure of course rigor across high schools, districts, states, and countries—because all AP teachers, no matter where they are teaching, are required to provide a curriculum that meets college standards. When admissions officers see “AP” on students' transcripts, they have a good understanding of what those students experienced in a particular class and how well the course prepared the students for the increased challenges of college.

#### *Earn College Credits, Reduce the Cost of College*

As college costs grow each year, the prospect of higher education becomes more daunting for many high school students. By completing an AP course and scoring well on the related AP exam, students can reduce their college expenses. Currently more than 90 percent of colleges and universities across the country offer college credit, advanced placement, or both, for qualifying AP exam scores. These credits can potentially save students and their families thousands of dollars in college tuition, fees, and textbook costs. These savings can make the difference between being able to afford college or not.

You can see specific colleges' guidelines on accepting AP scores for credit and placement by searching our AP Credit Policy database. This resource shows how many credits your AP scores will earn you and which courses you may be able to place out of at your future college.

### *Skip Introductory Classes*

If you know which major you want to pursue in college, taking an AP course related to that major and earning a qualifying score on the AP exam can help you gain advanced placement out of introductory courses. As a result, you can possibly place out of crowded required courses, and move directly into upper-level classes where you can focus on topics that interest you the most.

Even if you take an AP exam unrelated to your major—or if you're not sure what you want to major in—AP courses can often help you place out of your colleges' general education requirements. With this additional time on your class schedule, you can earn a minor or even a second major, take exciting electives, or pursue additional topics of interest.

### **Strategies for Struggling Students**

To support students who are performing below grade-level or failed the previous year's state assessments, IDEA offers the following:

- 1. CSI—Critical Student Intervention.** This time-tested IDEA intervention program provides additional reading and math instructional time using an evidence-based<sup>1</sup> intervention during Blended Learning time or Elective periods. Students are supported by receiving double-blocks of Math, Reading, or both every day. This time is tightly guarded, and every effort is made to ensure nothing takes IDEA's neediest students out of this crucial class time. This time is focused on closing academic gaps for students. To date, over 3,000 students with gaps of two or more years have closed that gap in one school year through this program. Each campus has an appointed CSI point person who leads this work at the campus level. IDEA's network-wide goal is for 50% of students in CSI Reading and 60% of students in CSI Math to grow two years or end the year on/above grade level. Progress is measured by interim assessments taken throughout the year, as well as by the cumulative exams at the end of the year. During our last school year, 47% and 62% of our students in CSI made at least two years of academic gains in Reading and Math respectively.
- 2. Differentiated blocks.** In addition to CSI, students in middle school and high school have a 45-minute block every day that is specialized to meet their academic need. For students performing at or above grade level, this is a dedicated time for advanced coursework to support their progress and keep them academically engaged and challenged. For students performing below grade level, this time is utilized for scaffolded academic support to help students catch up to their peers and close academic gaps at an accelerated speed.
- 3. Proven Pedagogical strategies.** As previously mentioned, IDEA utilizes instructional strategies that are research-based and proven to be most effective with students from low-income backgrounds. IDEA will continue utilizing tools such as Doug Lemov's "Teach Like a Champion" to train IDEA's teachers, enabling them to most effectively teach and support students at any academic level.
- 4. Teacher evaluation and systems.** This is described in detail in Section I.3.

4. Provide a sample daily schedule and school annual calendar, including the annual number of days and hours of instructional time as Attachment C. (Note: if approved, the Governing Board will formally adopt an annual calendar)

A typical day at IDEA Public Schools starts at 7:45am and ends around 3:45pm. Instructional time varies from approximately 375 minutes per day in kindergarten to 420 minutes per day in high school.

Sample scope and sequence documents are provided in **Attachment B.**

Sample daily schedules and a sample annual calendar are included in **Attachment C.**

### **Section C: Financial Plan**

*1. Provide as Attachment D, an operating budget covering each year of the 5-year term that contains revenue projections, expenses, and anticipated fund balances. The budget should be based on the projected student enrollment indicated in Section G.*

IDEA's five-year operating budget projections are included in Attachment D. Note that our budget is based on a conservative projected enrollment of 112 students per grade, while our enrollment targets are approximately 120 students per grade in Academy and approximately 120 per grade in College Prep. This reflects IDEA's commitment to build and sustain successful schools even if we do not enroll every seat in our first year and provides a cushion against financial shocks to our classrooms

*2. Describe who will manage the school's finances and how the school will ensure strong internal controls over financial management and compliance with applicable financial reporting requirements.*

IDEA has a long track record of strong financial management and fiscal responsibility. All financial decisions are aligned with our goal of providing a high-quality public education to our students and preparing them for success in college and citizenship. IDEA has received the one of the two highest Fiscal Integrity rating from the Texas Education Agency for eight consecutive years, including six years with the highest possible rating. Additionally, IDEA received an "A" bond rating (S&P Global), the highest unenhanced bond rating for a charter school nationally. The bond rating signifies the credit worthiness of IDEA with S&P noting IDEA's strategic approach, high academic results, solid operating margins, sophisticated management team, and national brand recognition as key strengths. S&P's rating outlook was stable, noting that IDEA would maintain a steady financial profile due to its strategic financial practices, conservative modeling and flexibility. S&P also anticipates the school's "demand profile will continue to reflect very strong academics and increasing enrollment."

IDEA employs a multifaceted approach to ensuring strong internal controls over financial management. Our approach starts with a strong internal oversight structure, with full-time financial staff dedicated to ensuring accuracy and compliance and with direct CFO involvement. IDEA Florida's board will ultimately hold IDEA accountable for accuracy and compliance.

IDEA staff, including IDEA's vice president for finance and vice president for financial planning, ensure that a

strong, compliant, and transparent system is in place. This includes a structured process to ensure that policies and procedures aligned with strong internal controls are in place from the onset, before any public revenues are received or expended. The lead employee ensuring controls and compliance is IDEA director of finance (DOF). IDEA only hires DOFs who possess the necessary professional experience to demonstrate mastery of control- and compliance-related functions. The framework for compliance, which stems from IDEA's existing practices, will be implemented by the DOF.

The DOF is responsible for managing IDEA's business office across Florida. The DOF is responsible for monthly financial reporting on the 10<sup>th</sup> business day of the following month, every month. They are also responsible for accounts payable and purchasing, which they manage through a business clerk. The DOF is answerable to the executive director, who is answerable to the IDEA Florida governing board.

To ensure the DOF is supported and held accountable, IDEA's vice president for financial planning holds a weekly check in meeting with each DOF. In addition to these weekly check ins, financial reports are reviewed monthly by IDEA's chief financial officer. IDEA's CFO has a dedicated, standing monthly meeting to review all financial reporting and budgets related to Florida. These reports and budgets are reviewed regularly with the IDEA Florida board's finance committee.

As is IDEA's practice in Texas and Louisiana, IDEA reports to the charter authorizer and the public based on state guidelines. The DOF is responsible for understanding reporting requirements in Florida.

*3. Explain the mechanisms the governing board will use to monitor the school's financial health and compliance.*

IDEA Florida will implement financial oversight practices consistent with industry best practices and applicable Florida law. This will include financial reports and updates at each IDEA Florida Board meeting, quarterly financial reports to each school district authorizer, and an annual financial audit completed by an independent certified public accountant. Additionally, the IDEA Florida Board will adopt and oversee an annual budget that aligns with our organizational priorities.

*4. Describe the school's plans and procedures for conducting an annual audit of the financial operations of the school, pursuant to s. 218.39, F.S.*

For context, IDEA has CPAs on staff who close the books and records, and who ensure the business office is compliant, well-managed, and thoroughly documented. This ensures a smooth and comprehensive audit, year after year.

IDEA Florida's board will select an independent auditor to perform an annual audit, pursuant to 218.39. The board will put out a request for proposal from audit firms. Based on responses, the board will select an independent auditor. IDEA's boards have used RSM, as well as Blazek & Vetterling, in Texas. In Louisiana, the board used Carr, Riggs & Ingram. This firm has a large presence in Florida, making them a viable candidate to perform audits for IDEA as well. The final decisions of an auditor will be made entirely by IDEA Florida's Board of Directors. The auditor is provided with a memo outlining dates by which IDEA's board would like interim field work and year end fieldwork to be conducted. IDEA provides a detailed checklist of items staff would like to receive from the external auditor, and when IDEA needs to provide things back to the external auditor.

IDEA's finance team provides auditors with a reasonably adjusted trial balance so they can focus on a true audit, not bookkeeping or cleaning. This is owing in large part to IDEA's professional business office and the CPAs IDEA maintains on staff. This whole process is managed by IDEA's Vice President of Finance and Comptroller.

IDEA's external auditors present the audit report to the IDEA Florida board of directors for approval.

*5. Describe the method by which accounting records will be maintained.*

IDEA has an extensive, best-in-class system for maintaining records. All records are maintained digitally through an enterprise resource planning system, Tyler Munis. Tyler Munis contains IDEA's document warehouse for all invoices and backup documentation. In addition, all IDEA financials are stored on IDEA's internal shared drive and server.

IDEA's business office information systems team is responsible for ensuring the database records are maintained and that redundancies are created to back up the system. IDEA also maintains supporting documentation for any and all checks that are issued by IDEA.

IDEA publishes its audited financials, approved budgets, and budget committee meeting bulletins, among other information, on IDEA's public website, available at: <https://www.ideapublicschools.org/our-approach/finance-budget>

The monthly financials are also reported to the IDEA Florida board and are included in IDEA's public board packet.

*6. Describe how the school will ensure financial transparency to the public, including its plans for public adoption of its budget and public dissemination of its annual audit and financial report.*

All IDEA Florida meetings are publicly noticed and open to the public. The Board will consider and adopt an annual budget at a publicly noticed meeting. Typically, the Board will budget adoption process takes place over two meetings, with the Board receiving a preview at one meeting and formal adoption at a subsequent meeting. The budget preview and final budget are posted on the IDEA Florida website and members of the public may participate in the board meetings and provide comments or suggestions.

Additionally, IDEA publishes its monthly financial updates, quarterly financial reports, annual budget, and annual financial audit on its website.

The monthly financials are also reported to the IDEA Florida board and are included in IDEA's public board packet.

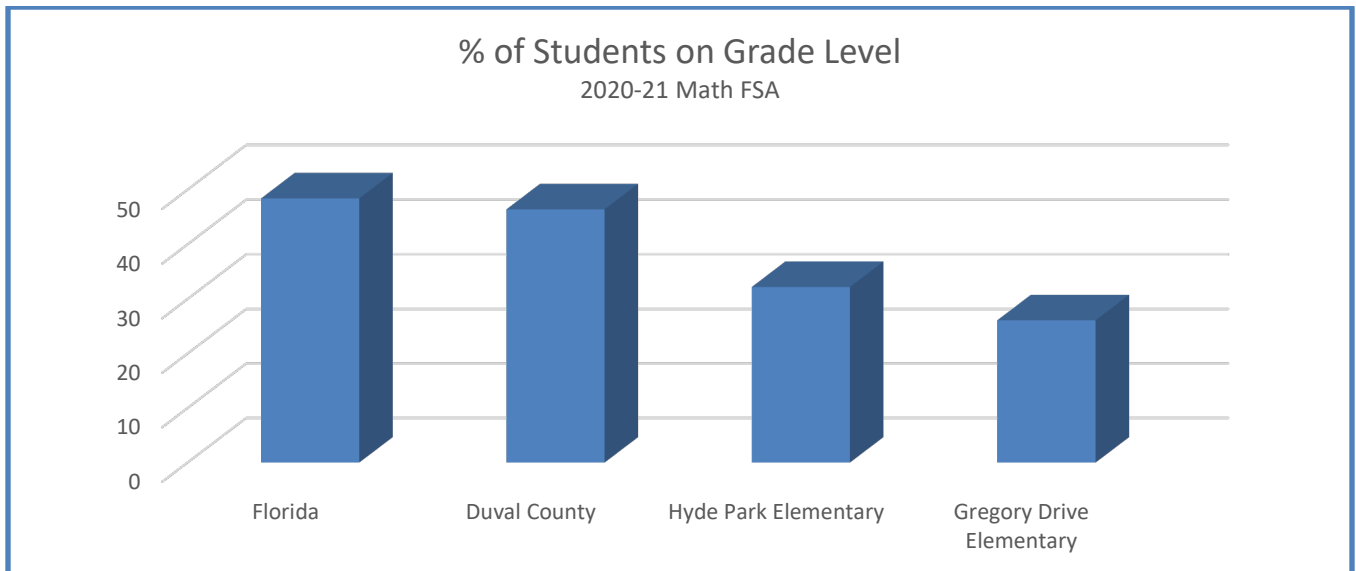
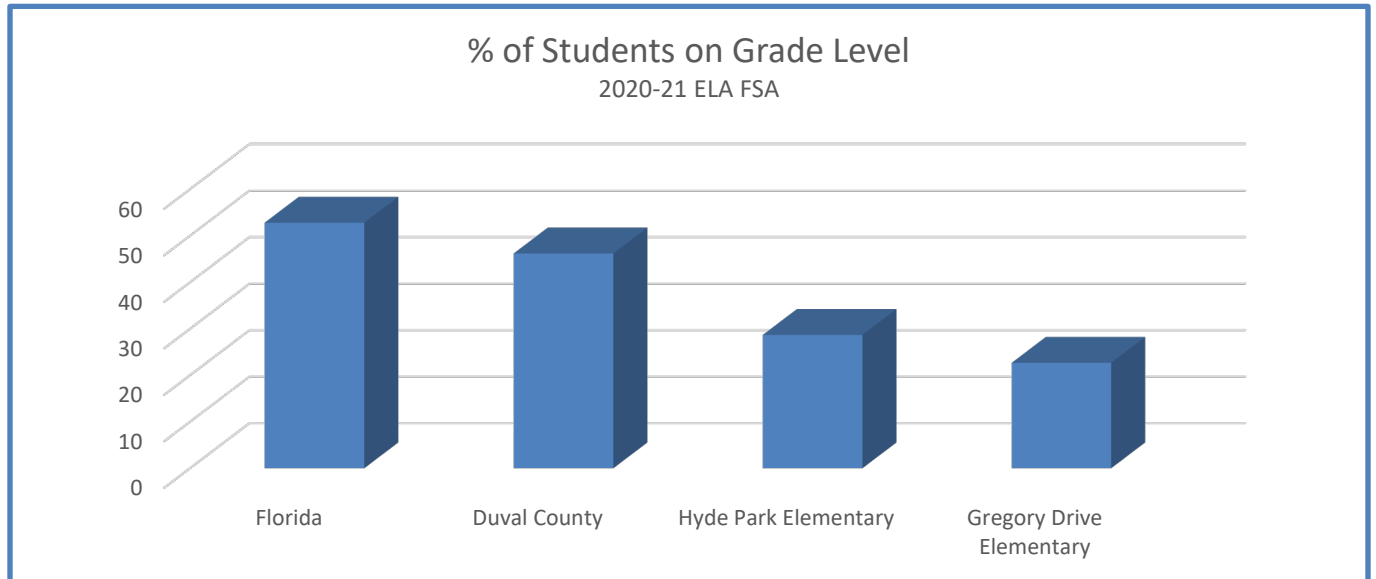
**Section D: Goals and Objectives for increasing student achievement for the students from low-income families**

*1. Describe the expected incoming baseline of student academic achievement of students from low-income families who will enroll in the school. Based upon the expected incoming baseline performance,*



*describe the school's goals for academic growth and improvement that students are expected to show each year and the rationale for those goals.*

As an open enrollment school, we cannot predict with precision the prior academic achievement levels of the students who will enroll in our school. However, given our focus on recruiting students who are attending or zoned for persistently low-performing public schools, we can reasonably project incoming baselines based on the academic achievement of students in those nearby PLP schools. Below are charts showing the 2020-21 FSA results for PLP schools identified in Attachment A.



IDEA primarily serves students who come from low-income households—areas that are also historically underserved in terms of high-quality education options. IDEA anticipates that the majority of the students entering our schools will come from persistently low-performing schools.

IDEA will assess all new students' baseline academic performance at the beginning of each academic year and will set growth goals for cohorts of students. Currently, students at the PLP schools identified above are scoring below the district and state average in proficiency and learning gains across all grade levels. IDEA's goal is for students to outperform the nearest public schools in their first year in each grade that is tested in both ELA and math, in both proficiency and learning gains. In subsequent years, students will continue to outperform these schools in each subject in proficiency, and achieve learning gains each year. IDEA's long-term goal is for each cohort that starts with IDEA to complete twelfth grade outperforming the district and the state in all indices, and fully prepared to succeed in college without need for remediation.

IDEA will set specific performance targets for each grade and subject in the manner and timelines prescribed by the state's performance-based standard contract. IDEA will receive performance data on incoming students in tested grade levels from the district by September 15 of each school year. IDEA will then propose academic targets for its first year of operation by October 15 and have 30 days to work with the school district to reach agreement on those targets. For non-tested grades, those targets will include performance growth over the course of the year. By October 15 of the second year, IDEA will propose specific learning targets for each grade level and tested subjects over the remaining four years of the contract term and will work with PCPS to agree on the remaining targets within 30 days—as set forth in the performance-based contract model.

We anticipate developing short and long-term academic performance goals that will demonstrate academic achievement and growth that initially exceed nearby schools and ultimately exceed both district and state averages. We look forward to working closely with the School District to set ambitious academic performance goals that are consistent with IDEA's high-expectations approach.

IDEA anticipates that its campus located near the PLP schools identified in Attachment A will both serve a population where more than 50% of students will enter performing below grade level, based on each school's most recent FSA results. IDEA's goals for academic growth and improvement will be the same for all students enrolled at IDEA campuses, regardless of socio-economic status.

*2. Describe how the school's academic goals and objectives for improving student learning will be revised if the actual incoming baseline is substantially different than the expected baseline. Describe how success will be evaluated, and the desired overall results to be attained through instruction*

If the prior academic achievement of our incoming students is significantly different than that of the surrounding PLP schools, IDEA will work with the district to set ambitious academic goals pursuant to the process forth in the standard performance-based agreement.

IDEA's mission is to educate students who are historically underserved. IDEA will serve this same target demographic in Duval. Recruitment efforts will be focused in the neighborhoods surrounding the district's lowest performing schools and we anticipate the student body will closely resemble that of the

nearby campuses. Regardless of the student population, IDEA will continue offering the same data-driven, rigorous coursework offered at all IDEA schools.

At the conclusion of each school year, students will be prepared to take on the subsequent year's academic content due to the preparation and rigor of instruction received the year prior. IDEA will measure success by the number of students who enter and complete each year on or above grade level. Students who need additional academic support will receive targeted intervention and will be monitored throughout the school year to ensure they are progressing.

For students who are significantly below grade level, success will be demonstrated by increasing the number of students who close academic gaps by growing two or more grade levels per year through participation in Critical Student Intervention (CSI), and by decreasing the number of students who need CSI year after year.

For students who enter IDEA in grades K-2, our goal is that 100% of are on grade level by the end of 5<sup>th</sup> grade. For students who enter IDEA in sixth grade, the goal is for those students to perform on grade-level before they graduate high school and, like their peers, to be accepted and matriculate to college without the need for remedial coursework

*3. Describe any mission-specific educational goals and targets for the school not captured by state accountability requirements. State goals clearly in terms of the measures or assessments the school plans to use.*

#### Organizational/Regional/Campus Goals

IDEA will maintain its current network-wide goals as it opens schools in Florida. These goals are set for every IDEA region and campus with the expectation that all students and school leaders will achieve them. Teachers and school leaders are recruited, hired and trained to perform at exceptionally high levels and therefore the organizational goals will stay at the highest level across all regions and states where IDEA operates schools. The table below reflects our organizational goals for the 2021-22 school year, across all IDEA schools.

## Goals and outcomes:

Measure	2021-22 Goal
% of Seniors Accepted to a College or University	100%
% of Graduates Matriculate to College or University	100%
% of Graduates Matriculate to a Tier I/II College or University	25%
% of Seniors Named AP Scholars	30%
% of PreK-2 <sup>nd</sup> Grade Students End the Year On/Above grade level in Reading, Language, and Math (Year 1 Campus)	80%
% of 2 <sup>nd</sup> Grade Students End the Year On/Above Grade Level in Reading (Year 2+ Campuses)	90%
% of Students in CSI Achieve 2 Years Growth in Reading/Math	50% / 60%
Average ACT Score (Class of 2020)	21
% of Alumni that graduate college within 6 Years	55%
% of Teacher Retention	85%
% Average Daily Attendance	97.5%
% New Student Persistence	90%

## Assessments

At IDEA, our goal is to design, implement and support a district-wide assessment structure that informs excellent, college-ready level instruction while providing predictable, trackable data points to support effective coaching, and management practices across an expanding district.

We are in the process of designing and implementing a revised assessment system across all IDEA schools, regions, and states according to the following guiding principles:

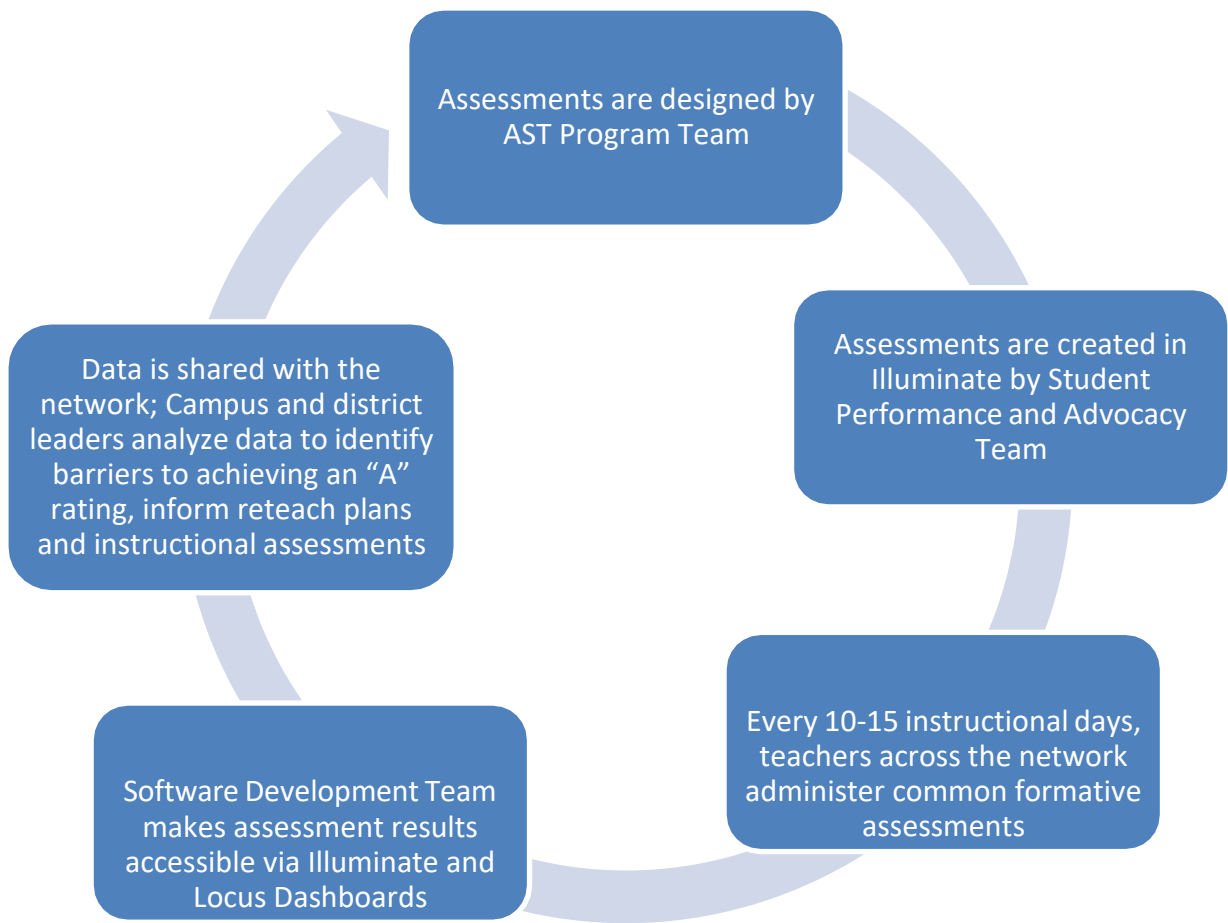
- **Assessment informs instruction.** The purpose of assessment is to determine student understanding of the standards of a course of study and then use those assessment results to inform, modify, adjust, enrich, and differentiate instruction to meet the learning needs of all students.
- **The primary stakeholders are students and teachers.** While our assessment structure informs the day-to-day practice and priorities for every member of the IDEA instructional team, students and teachers are the primary stakeholder. We believe assessments should be designed to inform planning and instruction to support a meaningful classroom experience for teachers and students, with consideration for the total amount of testing time, the authenticity of the learning tasks and the time and space to give and receive appropriate feedback.

- **Assessment is best in a minimally effective dose.** A common refrain among IDEA leaders is assessing students does not amount to teaching students. IDEA teachers and leaders need enough information to make appropriate instructional decisions, but they also need the instructional time to respond to assessment data and facilitate student learning. Our priority is a balance between prioritizing instructional time while guaranteeing sufficient information to make high leverage classroom decisions.
- **Assessment design is driven by purpose.** Assessments should be designed to gain insight into what students know, understand and can do. Multiple-choice questions most frequently assess basic knowledge. Open-ended questions assess understanding. Application based performance tasks assess skills and the long-term ability of a student to apply what they have learned. Because we are beholden to short-term goals like the year-over-year STAAR results and the long-term goal of college matriculation and success, our assessments will be designed with both goals in mind. Implementing different types of assessment, from daily student tasks to larger benchmark exams that use a variety of question types, creates a more complete picture of student learning.
- **Written curriculum should align to assessed curriculum.** The curriculum is designed to cover the totality of the standards, from basic knowledge to the more transferrable skills and applications that support college readiness. All too often we assess only a narrow slice of the curriculum. Not only does alignment between the written and assessed curriculum create continuity for the teacher and student, it helps to ensure that students have access to the full potential of the curriculum.
- **Assessments should assess standards that have been taught.** In instances where we choose to implement diagnostic assessments, we must train teachers and leaders to use the assessments and resulting data appropriately. Additionally, we must share rationale with students to ensure they understand the purpose of diagnostic assessment and are best prepared to take the exams.

#### Lifecycle of Assessment at IDEA Public Schools

IDEA's goal is to create and implement a predictable, effective, and collaborative assessment process that measures and ensures clear progress toward ambitious student achievement goals. As demonstrated below, IDEA's process creates a cycle of data transparency for everyone in the district. A sequence of frequent common assessments provides a consistent, quality resource for every teacher and leader. The 10-to-15-day frequency of short assessments provides frequent enough data to measure student performance while allowing enough time to analyze data and implement instructional improvements.

Transparency is a key feature of this process. The ability to widely share data and data analysis helps district and school leaders identify important trends that can result in added support for specific classrooms or schools that may need it the most. Additionally, it allows district and regional leaders to identify bright spots and best practices in order to share those widely across the network.



## **Section E: Community Outreach**

*1. Explain what steps, if any, have been taken to engage with parents and community leaders to help the Hope Operator to understand the unique strengths and challenges of the students.*

IDEA began meeting with community leaders in Florida starting in 2017. Since that time, IDEA has met with a significant number of community, political, and educational leaders across the state. IDEA leadership has visited a variety of public schools across several districts in the region. IDEA has met with elected leaders from the local city/county commission, school board, state house and state senate, as well as leadership of Jacksonville University, members of the University of North Florida team, and more. IDEA has also met with students, families, and current teachers.

In every interaction, IDEA seeks to understand the needs of students and families, and what has allowed successful organizations to serve these children well. For example, during visits to Pepin Academies, IDEA staff learned about the robust and far-sighted supports that have allowed students on the Autism spectrum to succeed. Our visit to KIPP and Tiger Academy reinforced the need for a strong school culture and high-expectations for students, and our visit to Brentwood elementary reminded us of the importance of standards-based instruction. While none of this is new to IDEA, understanding these challenges in the context of Duval has been illuminating. These visits and conversations have shaped IDEA's early thinking and will inform how the IDEA team works with the community to provide high- expectation schools that meet community needs.

*2. Explain upcoming and ongoing community outreach efforts.*

IDEA began meeting with Florida state and local leaders in 2017 in preparation for opening schools in 2021 in Tampa and 2022 in Jacksonville. As IDEA enters new communities, leaders including the Executive Director and Regional Director of Operations and Regional Director of Advancement meet with parent groups, local leaders at other nonprofit organizations, school board members, city officials, and local philanthropists. Especially during these early meetings, IDEA leadership seeks to listen more than talk, and to gain a true understanding of the community's desires, challenges, and needs.

Once IDEA has established a baseline understanding of the community, it launches three types of efforts to raise awareness and build an understanding of IDEA:

- (1) Awareness of IDEA: During the "Awareness of IDEA" phase, team members talk with the community about IDEA's mission, goals, academic model, and track record.
- (2) Student Enrollment: During the "Student Enrollment" phase IDEA develops and shares information geared towards educating families about what the daily life of an IDEA student entails.
- (3) Teacher and Leader Recruitment: During the "Teacher and Leader Recruitment" phase, IDEA continues to inform parents and community members about IDEA while searching for high quality school leaders and teachers.

Since IDEA was approved as a School of Hope operator in 2018, IDEA has continued to visit with and learn from scores of leaders across Florida. As part of this work, and the work to come, IDEA first seeks to understand the history, current state, and needs of the community. Staff then use that information to ensure effective, timely and accurate communication to parents and families. Structured community

conversations begin approximately 18 months before a new school opens. IDEA recruits prospective families to volunteer to participate in these community conversations, which result in additional insight and understanding into things like a community's perception of charter schools, educational priorities for children, and transportation preferences. IDEA then uses this information to engage with the community.

For example, if a majority of participants in a structured community conversation share that they don't know what a charter school is, IDEA will offer informational sessions to discuss public charter schools. IDEA seeks to answer questions about the school model, demystify questions or concerns about things like the enrollment process, and learn from parents and community members what they are looking for in a school.

IDEA's Executive Director, as well as the regional leadership team, spend many hours each week with partner non-profits and parent leaders. In various launching regions, this has included the Boys and Girls Club, YWCA, YMCA, City Year, Big Brothers and Big Sisters, religious groups and communities, community-based activity centers, and other avenues to meet with and learn from parents. IDEA's executive directors pursue and accept a range of offers to speak with and learn from groups such as the Lion's Club, Rotary Club, and other civic groups. In short, IDEA proactively seeks to hear from, and engage with, the community.

A year before schools open, local IDEA leadership also holds a series of community events including town halls and open forums. These are held throughout the year at public venues like libraries and community centers. This is an opportunity to learn from the public and sharing information about IDEA.

*3. Describe how the Hope Operator will recruit students from the persistently low-performing school(s) within the vicinity and ensure that families understand the process for enrolling in the proposed School of Hope. The description should include a projected timeline that includes the major milestones or activities related to recruitment activities.*

By law, School of Hope operators are required to open campuses within five miles of a persistently low-performing school. IDEA will therefore recruit primarily from the surrounding neighborhood to ensure that IDEA is recruiting the students who are currently attending or zoned for a persistently low-performing public school. IDEA's primary area for recruitment is typically within two miles of a campus site. In year one, we will serve approximately 450 students in grade K-2 and 6 across the campus. The campus will house two school sections—a K-5 Academy and a 6-12 College Prep, adding a grade each subsequent year. The campus will be located near a persistently low-performing school and will focus recruitment in those areas.

Through each recruiting phase, IDEA relies upon a variety of strategies to ensure families and community members are informed. IDEA has traditionally used television, radio, digital, direct mail, and print advertising. Additionally, staff host a series of open houses that allow families and community members to interact with IDEA staff to ask questions and learn more. All of IDEA's recruitment strategies are based on market and community research.

### **Timeline**

IDEA's Marketing, Communications and Enrollment team has a scaffolded recruitment plan called New Community Entry, which begins 2+ years before schools open in new regions. New community entry is a combination of identity building, public relations, research, brand building, and gathering interest from prospective students and staff. New regions are defined as geographic locations where IDEA campuses do not currently operate.



Below is the typical timeline of activities related to our entry into a new community. The timeline is more applicable to a region as opposed to individual schools or campuses.

### **Two Years Before School Launch**

IDEA builds context within the new region to understand what's important to parents and community members. Research includes recruiting participants for structured community conversations, which consist of 40-50 families representing mixed income households and school-aged children. These conversations help IDEA staff learn about the local perception of charter schools, mindsets around education options, and awareness of IDEA Public Schools. Results from these groups are shared with local IDEA leaders, who use this information to guide recruitment efforts.

IDEA also collects secondary research such as media consumption, public education surveys, and local advertising campaigns to gain a better understanding of how to reach parent audiences and effectively communicate IDEA's mission and plan for school openings.

### **One Year Before School Launch**

IDEA recruitment for new schools starts September 1 of the year prior to opening. For the campus envisioned in this application, this will be September 1, 2023. New Community Entry efforts will launch in February of 2021, six months prior to the launch of the student application and seven months prior to the launch of the teacher application.

Typically, IDEA will focus primary recruitment efforts on students within approximately 2 miles from the campus but will also recruit students within a 3-5-mile radius of the school's location if appropriate and necessary. This is where initial research and results from structured community conversations are also leveraged. The recruitment focus area can vary based on local factors such as access to reliable public transportation and the number of households in the neighborhood. For example, in regions where a majority of students walk to school, IDEA will recruit primarily within 1-2 miles of the school. In regions where residents are accustomed to lengthy commutes, IDEA can expand recruitment zones. To meet School of Hope Operator regulations, IDEA will primarily recruit within the neighborhoods of the surrounding persistently low-performing public schools. This will be done principally through door knocking, social media, and community organization partnerships. Additionally, during this time period IDEA will begin developing plans for transportation, including mapping out potential bus routes.

### **Six Months Before School Launch**

The six-month period before a school opens involves a concentrated recruitment effort, led by a Regional Director of Operations (RDO). The RDO's primary responsibility is to lead community engagement and recruitment efforts in the region before the first day of school. The RDO develops relationships with local service partners like Boys & Girls Clubs and YMCA chapters to learn and share information about IDEA. Eighty percent of their time is spent in the field meeting families, developing local partnerships, and recruiting students.

Additional operational staff begin in July and recruitment is their top priority, with 80% of their time also dedicated to recruitment. Recruitment includes tabling at community centers, apartments and other community-centric businesses, attending local events, block-walking through neighborhoods around the schools, and hosting open house events. Recruiters track which locations generated the most student applications, which is maintained for future recruiting and engagement events. This helps IDEA understand where potential families live and spend time in the community. Beyond recruitment, the school leaders

leverage this information when planning additional events such as town halls.

### **Application Process**

IDEA is an open-enrollment public charter school. Prospective families apply to IDEA through a free online application or at community events via a paper application. Applications are available in English and Spanish and may be translated into additional languages based on community need. The application does not include questions related to a student's past academic performance or whether the prospective student has an Individual Education Plan.

If a campus receives more applications than available seats, a random lottery will be held (students from surrounding persistently low-performing public schools and opportunity zones receive enrollment preferences, as provided for in the law). The lottery is a blind random selection process in which students are sorted by grade level, randomly selected, and then offered a seat at an IDEA school. IDEA conducts a lottery system in compliance with charter laws, affording all families a fair opportunity to attend one of IDEA's schools. The lottery is typically held in February, six months before the new school year begins.

The student population across all IDEA's current schools is approximately 89% economically disadvantaged. IDEA expects to serve a similarly low-income demographic in Duval county opening schools in historically underserved communities where students may not have access to high-quality education options. IDEA recognizes that student demographics may shift based on school location and strive to serve the communities currently served by persistently low-performing schools.

IDEA conducts a lottery to fill all open seats and students are placed on a waitlist until all students offered a seat accept or decline. Waitlisted students are then offered available seats. Students and families can apply to multiple IDEA campuses but will only be offered one seat at one campus. When applying to multiple campuses, families also rank IDEA schools in order of preference.

Families receive notification of their offer online and via phone call from an IDEA staff member. Announcements regarding lottery results are posted throughout IDEA's website and social media accounts, utilizing every available outlet to advise families to log into the application site and check their status. Families receive a welcome packet and instructions on how to confirm their child's enrollment at IDEA.

Staff is available online, via phone, and in person to answer questions and help guide families through the process, ensuring families understand the enrollment and registration processes. Assistance is provided in English and Spanish to accommodate families. IDEA staff will make at least five attempts to contact a family before rescinding an enrollment offer. Each point of outreach is tracked with a 24-hour wait period before following up, giving parents ample time to respond. In addition to online notification and personal phone calls, IDEA staff will visit addresses listed on the application to contact families about their student's seat offer at a campus. If no response is received by the given deadline, the spot is offered to the next prospective student on the waitlist.

*4. Describe the strategies the school will employ to involve parents in their children's education and the expectations related to parental involvement. Describe what steps will be taken to ensure that these expectations do not pose a barrier to access for any family seeking enrollment.*

Families are the single most influential partners IDEA has in accomplishing the to-and-through college

mission for students. An invested family can extend the learning beyond the school day, reinforce expectations in the home, and help students understand the value of a high-quality education. IDEA seeks to involve parents in their children's education at every step beginning with applying to an IDEA school for the first time through high school graduation.

Family engagement allows IDEA to: 1) create the space for parents to participate, actively, in their child's educational experience; 2) provide opportunities for school staff and parents to connect and build relationships and trust; 3) build the capacity of families to better support their children.

To ensure families feel welcomed once their child is enrolled at an IDEA campus, staff offers communication and support throughout the entire enrollment and registration process leading up to the first day of school, and then consistently throughout the school year. For families new to IDEA, we have created an onboarding process that aims to ensure families feel both welcomed and informed about IDEA as an organization and their particular campus. Our New Family Onboarding Process includes a series of communication and events, including:

- Recruitment
- Open Houses
- Lottery
- Welcome to IDEA
- Registration
- Re-registration
- Summer engagement event
- New Family and Student Orientation
- Back to School / Meet the Teacher

These events are geared toward helping the family transition into the IDEA family. The emphasis is on the academic model, culture, and the partnership between home and school. The expectation is that every family be onboarded, which means attending registration and a Welcome to IDEA session. Therefore, multiple opportunities exist for families to engage in each of these opportunities.

Welcome to IDEA is a registration event. While this event is highly recommended, it is not required of parents and students to attend. A family will not be denied or an offer rescinded due to an inability to attend. IDEA does not turn away families who were offered a position. IDEA accommodates all offered and confirmed students a seat at school.

Once students are enrolled at an IDEA school, distribution of information is no less important. IDEA staff believe that it is crucial that families are well-informed and engaged. IDEA accomplishes this through a number of avenues, ensuring that staff are able to distribute information in a way that it is reaching the greatest number of families possible. First, each IDEA school publishes a Parent Weekly newsletter that is available both in print and online in both English and Spanish. Additionally, IDEA takes advantage of various social media outlets, including Facebook, Twitter, and Instagram. IDEA has individual school accounts as well as regional accounts that distribute information about news affecting IDEA's schools and upcoming events.

Parents have the opportunity to engage in every aspect of IDEA's new campus opening. In every IDEA region, parents can participate in initiatives like the Family Advisory Council, Family Engagement and Advocacy, and town hall meetings.

### **Family Advisory Council**

The vision for the Family Advisory Council is to build a small, region-based community of parents and/or guardians with whom IDEA can consult on a variety of different parent-facing solutions prior to their launch.

Each campus nominates up to two representatives, and family members can also self-nominate. Regional groups meet once a semester to share input, learn about upcoming events or initiatives being considered by IDEA leadership, and engage in discussions about what concerns are most pressing for parents or guardians, and what role IDEA plays in each circumstance.

### **Family Engagement and Advocacy**

Additional events are held on campus throughout the year to encourage parents and families to interact with campus leadership. Events/initiatives include but are not limited to report card pick-up night, parent walk-throughs, volunteer programs, and weekly newsletters.

### **Town Hall Meetings**

Many campuses also offer town hall meetings throughout the year to get feedback from parents and families. This is a time dedicated to facilitating a dialogue among IDEA parents, campus staff, and IDEA leaders. Regional and campus leadership can share updates with attendees and also engage in open Q&A with guests.

Finally, IDEA's website, <https://ideapublicschools.org/states/florida/> is a great resource for parents and community members and has information including but not limited to academic calendars, student handbooks, cafeteria menus and a selection of school policies.

IDEA seeks to engage as many parents and families as possible in their child's education. However, a significant number of students in existing IDEA schools do not have engaged parents. IDEA does not discriminate, nor create barriers, for students to attend an IDEA school if their parent is unable or unwilling to participate in school activities. Parent engagement does not impact a student's enrollment at IDEA schools.

## **Section F: Organizational History of Success**

*1. Describe your organization's history, philosophy, and approach to education.*

### **History**

IDEA began as an after-school program in Donna, Texas in 1998. IDEA's co-founders were serving as teachers through Teach for America and saw the need for rigorous coursework and a strong culture to help their students to perform at higher academic levels. They began an after-school program to provide additional academic support to students and due to strong community interest, they began planning to launch their own school. In 2000, IDEA applied for a charter license and became an independent state charter school. Since then, IDEA has grown from one small school with 150 students in 2001 to the nation's fastest-growing network of tuition-free public charter schools with an ongoing record of academic excellence. IDEA opens schools in neighborhoods where access to high-quality public education is needed most and will continue to do as we pursue our ambitious goal of serving 100,000 students in 10 regions by 2024-25.

IDEA's philosophy and approach to education is based on a set of core values that guide our entire

organization- from the CEO and Superintendent to the support staff in our cafeterias, each member of the IDEA family is expected to embody IDEA's seven core values:

**We Act With Integrity:** We put the best interests of the IDEA Team & Family—and most importantly our students—at the forefront of all our decisions and actions, taking personal responsibility to model the honest and ethical behavior we want our students and each other to demonstrate every day.

**We Achieve Academic Excellence:** We believe ensuring college success for 100% of our students is the best way to help them succeed in life and in seeing obstacles they face as opportunities for learning and growth. Every member of the IDEA Team & Family works together to ensure each student on every campus and in every classroom receives a high-quality education.

**We Deliver Results:** We set ambitious goals, hold ourselves and each other accountable for achieving results, and believe that our students will succeed to and through college. Our results show what's possible when the adults in the system get it right and represent the collective effort and focus of the entire IDEA Team & Family.

**We Ensure Equity:** We set high expectations and share compassion and empathy for every member of the IDEA Team & Family. We differentiate our support and resources, proactively address racism and discrimination, and advocate alongside our students and staff to empower them with the opportunities to succeed and ensure the respect they deserve.

**We Build Team & Family:** We foster a sense of belonging and inclusivity by treating every member of the IDEA Team & Family—our students, staff, families, and community—with compassion, respect, and humility. We maximize our individual best efforts through collaboration and support of each other in the focused pursuit of our collective mission.

**We Bring Joy:** We create a positive, uplifting, and joyful environment for every member of the IDEA Team & Family, every single day. We operate with a sense of optimism, and our traditions celebrate learning, growth, and the accomplishments of our students, staff, and community.

**We Sweat the Small Stuff:** We embrace that achieving excellence lies in paying attention to and carrying out the details—the 'small stuff'—that go into effective execution and positive implementation. Every step of the way, the IDEA Team & Family prioritizes actions contributing to our mission of College for All.

These values help ensure that each IDEA campus builds and nurtures a culture of high expectations for faculty, staff, students and parents.

### **IDEA's Approach**

A strong academic model and culture has enabled IDEA to serve more students in high-need communities every year. IDEA currently operates 137 schools in Texas, Louisiana, and Florida serving nearly 70,000 students. For the past 15 years 100% of IDEA's graduates have been accepted to college and more than 99% have matriculated. In addition to our rigorous curriculum and culture of high expectations, our success is driven by innovative programs such as our Teacher Career Pathway, Principal in Residence Program, and College Success Team.

Like all schools, the success of our students is contingent upon the quality and effectiveness of our teachers and principals. IDEA puts great effort into the recruitment, hiring, training and retention of high-performing teachers and school leaders. IDEA seeks teachers and leaders who believe in and are committed to our mission: that all students are capable of getting to and through college. IDEA seeks individuals who are driven by outcomes and results and want to be held accountable to them, seek and respond well to feedback, and embody IDEA's core values and live them on a daily basis.

### **Teacher Career Pathway**

Teachers are the largest group of employees at IDEA and have the greatest impact on student achievement. Therefore, IDEA strategically invests in the development and retention of high-performing teachers. One program IDEA created is the Teacher Career Pathway (TCP), which defines, identifies and rewards teaching excellence through rigorous coaching and evaluation, personalized professional development and performance-based incentives. Our TCP program is designed to develop and keep advanced teachers in IDEA classrooms while increasing their impact on students and other teachers. By supporting principals to develop targeted retention plans and deploying district-wide resources and programs to support engaging and retaining irreplaceable teachers, IDEA ensures that attrition of these individuals remains as close to 0% as possible.

Additionally, IDEA has partnered with Relay Graduate School of Education to provide our newer teachers with the opportunity to further hone their craft through a two-year program of focused professional development, coaching, and evaluation that culminates with a Master's Degree in Education and a professional educator certificate- at no cost to the teacher.

### **Principal in Residence Program**

Each IDEA principal must be prepared to effectively lead their school on day one. A strong school leader is crucial to the IDEA model and necessary to achieve and maintain high outcomes over time.

High caliber educators, from within and outside of IDEA, who display a high level of effectiveness and are interested in becoming a principal have an opportunity to participate in IDEA's Principal in Residence (PIR) Program. This two-year intensive program allows potential principals to develop critical knowledge, skills, and mindsets by working side-by-side with IDEA's most successful school leaders before launching and leading their own IDEA school.

This full-time, intensive, paid learning opportunity provides participants with leadership development from IDEA's most successful school and district leaders. The PIR curriculum centers around an Individualized Learning Plan that guides development on eight specific "School Leadership Levers." Moreover, residents share responsibility for critical school achievement goals with current leaders at the school site. PIRs are not mere observational learners. They are core members of the "Lead Team" at their school site, alongside the Principal, Assistant Principals for Instruction and Operations, and Counselors. PIRs interact with teachers, leaders, students, and families every single day.

### **College Success Team**

In addition to strong teachers and leaders, IDEA supports students to and through college by investing in a College Success Team. The College Success Team is made up of college counselors and coaches who support students through grades 9-12, and an Alumni Affairs Team who support alumni throughout their college

career to degree attainment. Every campus has college counselors who work with students throughout their high school years. Students learn about college preparation including tests, applications and letters of recommendation, and receive one-on-one support in through the college application process.

The Alumni Affairs team deploys an undergraduate support model to ensure IDEA graduates complete college. This includes coaching students throughout their first 18 months of college, managing strategic behavioral nudges throughout a student's time in college, and developing strategic partnerships with colleges and universities to ensure students have support systems on campus.

IDEA has ambitious goals for students – that 100% of them graduate and matriculate to and through college. We know that this requires a level of rigor that surpasses what is offered in many traditional public schools in urban communities. At the same time, IDEA is committed to creating schools that offer a warm environment where students and parents are nurtured and supported and where children have fun. IDEA schools will nourish the innate joy of learning that all children bring to school and help them to build greater confidence in their own abilities.

*2. Provide a narrative description of your organization's success in providing a high-quality education to low-income students and students with similar demographics to the students in the persistently low-performing public school identified on the cover sheet and Attachment A, if applicable.*

## **National Recognition**

For over 20 years, IDEA Public Schools has served thousands of minority students from low-income households in their pursuit of success in high school, college, and careers. IDEA has been recognized at local, state and national levels for our outstanding results.

Below are the outstanding accomplishments of our class of 2021:

- 1,447 graduating seniors
- 7,484 national acceptances to colleges and universities
- 2,068 acceptances to selective and highly selective universities
- 14 Ivy League acceptances
- 1,079 graduates are first in family to attend college
- \$85M in grants and scholarships

For the 15<sup>th</sup> consecutive year, 100% of our graduating seniors were accepted to a college or university and 99.51% of them matriculated.

The Eli and Edyth Broad Foundation annually recognizes and honors exceptional results in education. Specifically, the Broad Prize identifies and celebrates school systems that deliver high-quality outcomes for students in historically underserved communities. IDEA Public schools was a three-time finalist and winner of the 2016 Broad Prize for public charter schools.

The U.S. News and World Report rankings include data on nearly 24,000 public high schools across the nation. Of the 15 IDEA high schools that had sufficient data to be included in the rankings, 12 were in the top 2% highest performing high schools in the country. IDEA also had 43 elementary and middle schools ranked among the best in the country, more than any other school district in Texas.

The Challenge Index, which is the oldest high school ranking system in the country (published by the Washington Post), is a unique ranking system which compares all schools, public and private, across the nation, and ranks them based on their academic rigor. All 15 eligible IDEA high schools were ranked in the top 1%.

Perhaps most noteworthy: Over the last 15 years, IDEA has sent over 99% of its graduating seniors to college.

### Equal Access to High-Quality Education

IDEA was founded based on the belief that all students—regardless of race, ethnicity, zip code, or socioeconomic status—should have equal access to a high-quality K-12 education. The reality is that minority children from lower-income neighborhoods often times do not have access to the highest performing schools. For many, there are few local options. Historically, IDEA’s student population has been 96% Black or Latino, with 90% of our students eligible for free or reduced lunch. IDEA continues to open schools in towns and neighborhoods with similar demographics.

According to the Florida Department of Education’s enrollment data, 67% of Duval County students are economically disadvantaged and 68% are minority. These rates are higher at the persistently low-performing schools in Duval County (see table below).

School Name	Percent of Minority Students	Percent of Economically Disadvantaged Students
BRENTWOOD ELEMENTARY SCHOOL	97.7	100
ANNIE R. MORGAN ELEMENTARY SCHOOL	90.1	100
HYDE PARK ELEMENTARY SCHOOL	84.9	100
RAMONA BOULEVARD ELEMENTARY SCHOOL	91	100
RUTLEDGE H. PEARSON ELEMENTARY SCHOOL	96.3	100
HIGHLANDS ELEMENTARY SCHOOL	97.4	100
LONG BRANCH ELEMENTARY SCHOOL	95.4	100
NORTHWESTERN LEGENDS ELEMENTARY	98.5	100
SUSIE E. TOLBERT ELEMENTARY SCHOOL	95.5	100
MATTHEW W. GILBERT MIDDLE SCHOOL	94.8	100
GEORGE WASHINGTON CARVER ELEMENTARY	98.6	100
CARTER G. WOODSON ELEMENTARY SCHOOL	98.9	NR
JEAN RIBAUT MIDDLE SCHOOL	95.6	100
ARLINGTON MIDDLE SCHOOL	81.6	100
MARTIN LUTHER KING, JR ELEMENTARY SCHOOL	99.2	100
ARLINGTON HEIGHTS ELEMENTARY SCHOOL	86	100



GREGORY DRIVE ELEMENTARY SCHOOL	85.6	100
HIGHLANDS MIDDLE SCHOOL	89.4	100

IDEA's model has proven effective in serving a similar student body and supporting them toward continued success beyond their K-12 careers. IDEA looks forward to helping more students in Florida graduate high school on-track and prepared for college.

### **Record of Academic Results**

IDEA students outperform their peers on virtually all academic measures at the district and state level. Most importantly, IDEA's economically disadvantaged students outperformed state high school graduation rates by nearly 10 percentage points, and IDEA students are attending and graduating from college at nearly four times the national average. These types of results are only possible because of IDEA's uncompromising commitment to:

- Creating a culture of high expectations for staff and students at every campus
- Placing a great teacher in every classroom and a great leader in every school
- Developing and implementing with fidelity a cutting-edge program model
- Delivering unprecedented support for students to and through college

IDEA's performance has been consistently strong over time and proves that IDEA can replicate its model while providing high-quality support to students.

### **College for All**

For 15 consecutive years, IDEA has achieved 100% college acceptance and 99% college matriculation among graduating seniors. IDEA takes responsibility for supporting students through college graduation. The impact of IDEA's work to date can be seen in the increase of its students persisting in college.

According to the National Student Clearinghouse, 59.6% of IDEA's students (and 58.2% of low-income students) have graduated or are still enrolled and on track to graduate from college. College persistence rates have improved every year for the past three years with 81% of students enrolled in college the first year after high school returning for a second year (freshman to sophomore persistence—the most critical time for retention). IDEA students are now graduating from college at a rate that is almost four times the national average for low-income students: 50% vs. 13%.

Below is a snapshot of our graduating class or 2021:

- 1,447 graduating seniors
- 7,484 acceptances to colleges and universities
- 14 Ivy League acceptances
- 2,068 acceptances to selective and highly selective colleges
- 1,079 graduates are the first in their family to attend college
- \$85M received in grants and scholarships

3. Provide copies or links to any independent studies or research that examined the impact of the charter schools operated by your organization.

### **Center for Research on Education Outcomes (CREDO) at Stanford University**

The link below is to the recent CREDO study. CREDO has developed a series of studies that are considered the gold standard in charter school outcomes research. CREDO employs a sophisticated statistical model to control for potentially confounding variables to accurately measure the impact of attending a particular school or network of schools. On Page 91 you can see that the average student in an IDEA Public School demonstrated academic performance that was .14 (math) and .13 (ELA) standard deviations higher than what a similar student in a nearby public school demonstrated. This equates to approximately 80 additional days of learning in math and 74 additional days of learning in ELA- which is essentially 1.5 years of academic growth for every year in school.

[https://credo.stanford.edu/sites/g/files/sbiybj6481/f/cmo\\_final.pdf](https://credo.stanford.edu/sites/g/files/sbiybj6481/f/cmo_final.pdf)

### **US News and World Report- Best High Schools 2019**

US News and World Report annually ranks more than 24,000 public high schools across the country. Twelve IDEA high schools were in the top 2% of high schools in the nation.

<https://www.usnews.com/education/best-high-schools>

### **Jay Mathews Challenge Index (Formerly Washington Post Most Challenging High Schools)**

Eleven of the top 25 most challenging high schools in the country are IDEA High Schools.

<https://jaymathewschallengeindex.com/2020-top-300-schools-index/>

### **Section G: Grade Levels to Be Served and Enrollment Projections**

The table below represents our projected enrollment per campus. Note that the totals in this chart represent projected enrollment at a campus and do not represent maximum enrollments. Additionally, we utilize a conservative budgeting approach which includes lower enrollment figures (Attachment D).

Grade Level	Projected Number of Students <i>per IDEA campus</i>						
	Year 1 2024-2025	Year 2 2025-2026	Year 3 2026-2027	Year 4 2027-2028	Year 5 2028-2029	Year 6 2029-30	Year 7 2030-31
K	120	120	120	120	120	120	120
1	120	120	120	120	120	120	120
2	120	120	120	120	120	120	120
3		120	120	120	120	120	120
4			120	120	120	120	120
5				120	120	120	120
6	120	120	120	120	120	120	120
7		120	120	120	120	120	120

8			120	120	120	120	120
9				120	120	120	120
10					120	120	120
11						120	120
12							120
<b>TOTAL</b>	<b>480</b>	<b>720</b>	<b>960</b>	<b>1,200</b>	<b>1,320</b>	<b>1,440</b>	<b>1,560</b>

Year	Total Projected K-12 Enrollment <i>per campus</i>	Projected % of students that previously attended or are zoned for a Persistently Low-Performing school
Year 1	360 Academy & 120 College Prep	>60%
Year 2	480 Academy & 240 College Prep	>60%
Year 3	600 Academy & 360 College Prep	>60%
Year 4	720 Academy & 480 College Prep	>60%
Year 5	720 Academy & 600 College Prep	>60%
Year 6	720 Academy & 720 College Prep	>60%
Year 7	720 Academy & 840 College Prep	>60%

## **Section H: Proposed Location**

*1. Describe the proposed location or geographic area (if specific facility/location has yet to be secured) and its proximity to the persistently low-performing school identified on the cover page. If there are multiple persistently low-performing schools in the area, identify each of them in this section.*

IDEA has consistently conveyed to Jacksonville community leadership that our intention is to operate schools in the areas of the county with the least access to high performing schools, as measured by access to local schools scoring in the top quartile of all schools statewide. IDEA has, and continues to seek out, school sites as proximate to designated Persistently Low-Performing (PLP) schools as possible. Facilities have not yet been secured but will be secured as near to the greatest number of PLP schools as possible.

This Notice of Intent is for one campus in Duval County to open in the fall of 2024. The campus proposed in this Notice of Intent will be located within 5 miles of the cluster of persistently low-performing public schools identified in Attachment A. Our goal is to secure land and build a facility that provides access to the greatest number of students currently zoned or attending the PLP schools identified in this Notice. IDEA will notify the School Board when land is secured.

## **Section I: Staffing Plan**

*1. Provide an organizational chart that shows the school governance, management, and staffing structure. The organizational chart should clearly define command structure*

Attachment E includes our typical staffing structure. IDEA Florida may elect to incorporate changes to the standard model based on local needs.

Attachment G is an organization chart for IDEA Public Schools. Every IDEA school principal reports directly to a regional executive director, or to a vice president for schools who reports directly to a regional executive director. Regional executive directors report directly to the Chief Schools Officer.

*2. Provide a staffing plan for each year of the charter term that includes all anticipated personnel, is aligned with the school's projected enrollment, and will ensure the school maintains compliance with class-size maximums provided for in Section 1003.03, Florida Statutes, calculated at the school-wide average.*

See Attachment E.

*3. Indicate whether the school will utilize non-Florida certified instructional personnel, as provided for in Section 1002.333(6)(d), Florida Statutes. If the school will utilize non-certified instructional personnel, describe the qualifications for instructional personnel and the method by which the school will evaluate their preparedness to teach and their effectiveness in the classroom.*

We understand that teachers are the most important variable in student success, and we are fully committed to ensuring that every classroom has a highly effective teacher. As such, IDEA will primarily utilize certificated instructional personnel and reserve the right to use non-certified instructional personnel when it is appropriate. IDEA applies a rigorous vetting and hiring process for all instructional personnel, which includes sample teaching and roleplays to determine an instructor's ability to improve based on coaching and feedback. IDEA emphasizes a candidate's ability to offer a clear and structured lesson, gauge the effectiveness of their teaching, and continuously improve based on coaching and feedback. Instructional personnel, certified and non-certified, are evaluated based on their performance, as determined by the Teacher Career Pathway (TCP). The TCP is an integral part of IDEA's work to constantly help instructors grow and improve in their craft, and to retain and reward IDEA's highest-performing teachers. All teachers are placed on the TCP, earning a level between a 1 (brand new teachers to IDEA) and a 5 (master teachers who exemplify instructional excellence). The relevant portions of how IDEA places teachers on the TCP, and how leadership supports them to grow in the profession, is included below.

## HOW PLACEMENTS ARE DETERMINED

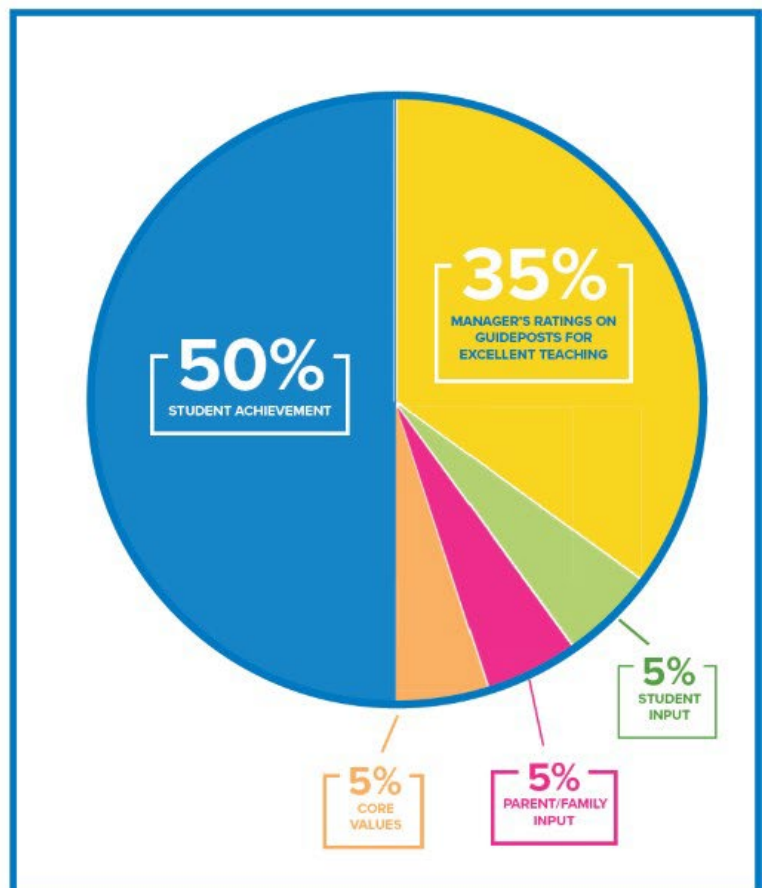
**There is no single measure of a successful teacher.** Teaching is a complex craft, and its evaluation must be equally nuanced. Understanding this, the Teacher Career Pathway employs a balanced scorecard and a multi-layered approval system when assigning teachers to pathway levels. This process is described specifically in the following paragraphs.

## COMPOSITE SCORES

The first step in pathway placement is determining a teacher's composite score on a balanced scorecard. This scorecard is a summary of several metrics, each weighted according to their impact on a teacher's capacity to put students on the road to college. **The metrics, their weights, and their reason for inclusion on the scorecard are as follows:**

### STUDENT ACHIEVEMENT DATA

**Student achievement data is heavily weighted because of its great impact on IDEA students' future options.** Student achievement is measured differently for each course based on available international, national, state, and local assessments. Additionally, many courses - such as electives - have unique measures of success, created internally at IDEA in order to measure the course's benefit for students. It is important to ensure that all teachers have a clear understanding of how student performance impacts pathway placement. Thus, rubrics for each grade level and content area are published in the appendix of this handbook.



## A. GETTING PLACED ON THE PATHWAY

### GET: RUBIC RATINGS

The Guideposts for Excellent Teaching Rubric is part of a teacher's score because it is a reliable, research-based, district-wide measure of performance in the classroom. GET Rubric scores for the Teacher Career Pathway are the same ones a teacher receives during the annual performance review (APR) with his or her manager. Managers receive intensive training on the GET Rubric throughout the year, ensuring their ability to use the tool accurately and reliably. While the GET rubric is used for evaluation, it is also a strong tool to provide specific ways for teachers to improve their practice and develop their strengths.



### STUDENT & FAMILY RESPONSES



Student and family survey responses allow composite scores to include the perspective of IDEA's most important stakeholder groups. These responses bring special insight into a teacher's contributions, painting a more complete picture of his or her impact. To ensure this insight is as accurate as possible, IDEA contracts with an external survey provider. The provider validates the quality of the surveys as well as their statistical reliability. Furthermore, the Teacher Career Pathway Team is actively working to make certain that survey rosters are accurate and appropriate to improve the integrity and accuracy of the survey reports.

### DEMONSTRATION OF IDEA CORE VALUES



The Teacher Career Pathway uses IDEA's six core values to gain insight into less tangible - but highly important - workplace qualities. These include work ethic, attitudes, commitment to IDEA's mission, ability to cooperate and collaborate with others, and overall professionalism. The metric for core values ratings comes from managers' ratings on Guidepost 6 (Core Values) during the Annual Performance Review.





## **ATTACHMENTS**

**Attachment A:** List of Persistently Low-Performing Schools in proposed geographic area

**Attachment B:** Sample course scope and sequence documents

**Attachment C:** Sample daily schedule and school annual calendar

**Attachment D:** Operating budget covering each year of the 5-year term

**Attachment E:** Sample Staffing Model

**Attachment F:** State Board of Education Hope Operator Designation

**Attachment G:** Organizational Chart



**Attachment A**

List of Persistently Low-Performing Schools in Proposed Geographic Area

District Name	School Number	School Name
Duval	0771	Hyde Park Elementary
Duval	2431	Gregory Drive Elementary

**Attachment B**

Sample Scope and Sequence

### **Attachment C**

#### Sample Daily Schedule and Annual Calendar

Below are samples of daily schedules for students in elementary, middle and high school grade levels at an existing IDEA campus and an annual calendar. IDEA Florida will develop a daily schedule and annual calendar that is responsive to the families we serve and in compliance with all applicable state

**Attachment D**

5 Year Operating Budget

## Attachment E

### Sample Staffing Model

The staffing model below represents the base staffing model for a typical campus. IDEA Florida will develop a staffing model that ensures student and staff safety, high-quality instruction, effective operations, and compliance with all applicable laws and regulations.

Attachment F

State Board of Education Hope Operator Designation

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**State Board of Education**

Marva Johnson, *Chair*  
Andy Tuck, *Vice Chair*  
*Members*  
Gary Chartrand  
Ben Gibson  
Tom Grady  
Michael Olenick  
Joe York



FLORIDA DEPARTMENT OF  
**EDUCATION**  
fldoe.org

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**Pam Stewart**  
**Commissioner of Education**

May 30, 2018

IDEA Public Schools  
Attn: Daniel Fishman  
2115 West Pike Blvd.  
Weslaco, TX 78596

Dear Mr. Fishman:

At the March 27, 2018, State Board of Education meeting, IDEA Public Schools' application for designation as a Hope Operator was considered and approved. The status is valid for five years from the opening of a School of Hope, and future renewal of the status will be based on the academic and financial performance of all schools operated in the state of Florida since your designation.

Details of the program may be found in Sections 1001.292 and 1002.333, Florida Statutes, and Rule 6A-1.0998271, Florida Administrative Code. You may contact our office at 850-245-0502 with any questions.

Thank you for your participation in Florida's educational choice programs.

Sincerely,

Adam Miller  
Executive Director  
Office of Independent Education and Parental Choice

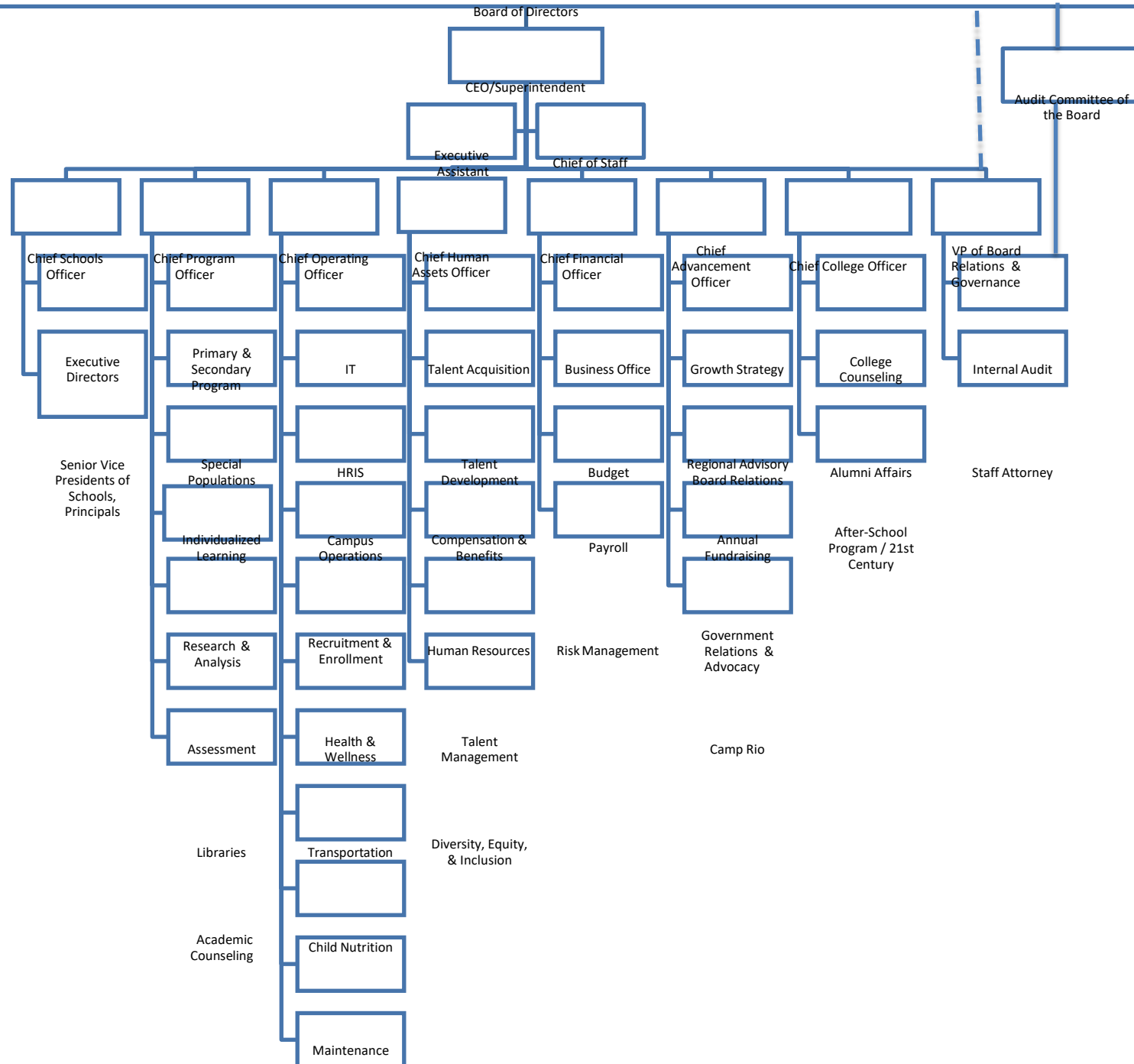
AM/cr

**Attachment G**

**IDEA Organizational Chart**



# 2021-22 IDEA Public Schools Organizational Chart



Construction

Communications

Marketing

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Proposed Grading Policy to FY2021-22

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**Proposed Board Action:** For Approval

**Executive Summary:**

The proposed grading policy amendment includes an additional critical student intervention section. This addition is aligned to Section 1003.4156, Florida Statute, middle school students who score at Level 1 on FSA 2.0 Reading are required to complete an intensive reading course. Those students who score at Level 2 must be placed in an intensive reading course or a content area reading intervention course. The inclusion of critical student intervention section gives campus leaders discretion to meet the unique needs of their students including providing multiple assessment types, grading weights, and letter grade rubric. See proposed additions highlighted in yellow throughout the current grading policy.

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**Supporting Documentation:** Proposed Grading Policy Amendment

**Presenter:** Director of Special Programs Instruction, IDEA Public Schools

# IDEA Florida

## Grading Policy

### Section 1: Core Tenets

The IDEA Public Schools grading policy supports our mission of sending 100% of our scholars to and successfully through college, acknowledging that graduating from college is the single most effective anti-poverty strategy.

The IDEA grading policy is designed to effectively evaluate student achievement and signal an accurate level of student mastery to all audiences. The policy ensures equity across all schools and motivates and empowers students to be successful on their path to and through college. Ultimately, grades should reflect the level of student mastery on grade-level work. The policy is aligned to this belief and gives campus leaders discretion to meet the unique needs of their students.

### Section 2: Progress Reports

Progress reports should be provided, at a minimum, to parents by the fourth week of the grading period for all students in all courses. Schools and teachers may communicate more frequently about grades at their discretion.

### Section 3: Assessment Weights and Categories

The gradebook has **only two categories** of student tasks: Summative and Formative. **Summative assessments** determine student mastery after an instructional phase (e.g. a Unit) is complete, comparing against specific objectives, external assessments, and/or other students to accurately reflect cumulative learning. **Formative assessments and assignments** are used throughout a unit or instructional phase to inform instructional decisions, motivate and teach students how to improve, and clearly signal academic expectations to determine how students are progressing towards a certain mastery goal. The impact of Summative Assessments grows with grade level bands to match their increasing value in collegiate syllabi. The table below provides categorical weights and examples of each type of assessment.

Category	Examples	Minimum Required	PK-5, CSI Alt. Courses	6-8	9-10	11-12
<b>Summative</b> <i>Summative assessments</i> evaluate the level of mastery after an instructional phase is completed.	<b>DI PK-2:</b> Mastery Tests <b>CSI 3<sup>rd</sup>-8<sup>th</sup> Reading:</b> Mastery Tests, RENSTAR Star Growth Report <b>Non-DI:</b> Unit Assessments; End-of-Module Assessments; Embedded Assessments; Papers, reports, presentations, and other compositions that conclude an instructional phase	Varies by course; only assessments listed should be summative	25%	35%	45%	55%

<p><b>Formative</b></p> <p><i>Formative assessments and assignments provide ongoing feedback to teachers to improve instruction and to students to improve their learning.</i></p>	<p><b>DI PK-2:</b> Independent work, fix-ups, checkouts, and Homework</p> <p><b>CSI 3<sup>rd</sup>-8<sup>th</sup> Reading:</b> Independent work, checkouts</p> <p><b>Non-DI:</b> Quizzes; Classwork and Tasks; Mid-unit, Mid-Module, or biweekly assessments; Written work (e.g. journals, OERs or essays); Socratic Seminars; Dialogue; Practice Problems and Homework; Exit Tickets, etc.</p>	2 per week	75%	65%	55%	45%
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Within these categories, *teachers have the freedom to change the score type, assignment weight, and total points for individual assignments* within the gradebook to best represent the meaningfulness of each grade. Principals may require a specific number of homework assignments to be included in the gradebook. In compliance with [Florida Statute 1003.4156](#), a student's performance on an End of Course assessment constitutes 30% of the student's final course grade. This applies only to the Algebra I, Geometry, Biology, and Civics courses.

All grades that impact a student's cumulative grade should validly and reliably represent student mastery, not behavioral or other factors, and thus should not represent behavioral items such as attendance, homework or task completion, or participation (exempting, for example, performance-based assessments with clear criteria for mastery, such as Socratic Seminars). Teachers may record these items in the gradebook by selecting "Collected Only" as the *assignment score* or recording the *assignment weight* as 0. In Academies, there is a separate section on each report card to communicate behavioral development, where there will be a selection of comments that teachers can use to better inform and support families and to provide meaningful feedback on non-academic growth.

Section 1003.437, Florida Statutes, requires the following measures and interpretations and shall be adopted for all grades at IDEA Public Schools, Kindergarten through grade 12:

Grade	Percentage	Grade Point Value	Definition
A	100 – 90	4	Outstanding Progress
B	80-89	3	Above Average Progress
C	70-79	2	Average Progress
D	60-69	1	Lowest Acceptable Progress
F	0-59	0	Failure
I	0	0	Incomplete

Section 1003.4156, Florida Statute, middle school students who score at Level 1 on FSA 2.0 Reading are required to complete an intensive reading course. Those students who score at Level 2 must be placed in an intensive reading course or a content area reading intervention course. The district policy is aligned to the state statute and gives campus leaders discretion to meet the unique needs of their students.

Grade	Percentage	Grade Equivalent Growth	CSI Status
A	100	0.5 or n.9	Outstanding Progress
B	80	0.3 or n.5	Above Average Progress
C	70	0.2 or n.3	Average Progress
D	60	0.1 or n.1	Lowest Acceptable Progress
F	0	0.0 or n.0	Failure
I	0	0.0 or n.0	Incomplete

## Section 4: Failing Grades and Missing Grades

The parents, teachers, and the school share responsibility for helping students succeed, and student grades entered in the gradebook should be an accurate reflection of the student's level of mastery. With regards to failing grades, teachers should afford a student a reasonable opportunity to make up or redo a class assignment or examination for which the student received a failing grade so that they can demonstrate relative mastery of grade-level work. Anything that is stipulated in a student's IEP supersedes the policies stated here.

### 4.A: Missing Grades Due to Absences

It is the teacher's/facilitator's responsibility to provide work for students who are absent and to support them in getting any needed re-teach, resources, and/or opportunities. In ideal circumstances, late work and assessments would be submitted within the same number of days that the student was absent, but it may be more reasonable to allow until the end of the unit or the end of the grading period, whichever occurs sooner. In case of missed assignments due to extended absence, campuses and teachers may provide individualized alternative options and due dates or provide alternative programs, on case-by-case basis. In the case of absences due to pull-out intervention, AR and Hotspot facilitators should create a plan to ensure they have sufficient quiz scores and remain on track for their progress benchmark, respectively. Campus leadership and teachers should provide reasonable opportunities for students to make up assignments missed due to extended absences and/or extenuating circumstances within the grading period in which the student was absent. If assignments are not made up within the grading period, a **written intervention plan** should be instituted.

### 4.B: Failing Grades on Assignments

What determines a reasonable opportunity to make up or redo a failing grade depends on the grade level, task, curriculum, and individual circumstances. Campuses may determine point deductions and timelines for retakes and make-up work and should implement a plan that proactively develops the skills needed to show more individual responsibility as students transition to upper grades. Students who have a failing assessment grade should be given an opportunity to retake failed assignments at least one time, but not more than three times, within three weeks. In Direct Instruction coursework, student must have the opportunity to retake the assessment up to three times until they show mastery. Students in grades 6<sup>th</sup> through 12<sup>th</sup> should individually arrange with their teacher to retake failed summative assessments within three weeks and to plan any remediation prior to retaking. As with previous sections, campuses may determine point deductions and timelines for work turned in late (not due to an absence). They will ensure grade-level teachers are aligned in their practice and mindful of student development.

Research on the practice of awarding a zero on a 100-point scale for missing work suggests that it  
 1) disproportionately punishes students in poverty, minority students, lower performing students, and students with disabilities; 2) conveys inaccurate information about the students' level of

mastery; 3) typically fails to effectively motivate or develop personal accountability; and 4) disproportionately negatively impacts the calculation of cumulative grades. Because of this research and the fact that this policy states that grades must reflect the student's relative mastery, giving a "0" for a missing or incomplete assignment is prohibited. If a student has three or more "Incompletes" in the gradebook for a grading term, the teacher will write an **<intervention plan.>**

#### **4.C: Failing Grades on Report Cards**

We monitor cumulative grades during grade verification to ensure that students have sufficient opportunities to show mastery throughout the year. Our system will automatically flag grades that make a student likely powerless to succeed in subsequent terms, by checking whether it is still possible to pass the semester/year if the student were to earn As in subsequent semesters. The system will send a list of students who are receiving a term grade below 50 to the principal to monitor and communicate. *Inc* or "Incomplete" may be temporarily used on the report card grade until a student, who needs to complete certain mastery tasks, is held accountable for those assessments or assignments. For each student whose Report Card grade is below a 50 or has *Inc*, the teacher and/or team will create a **<written intervention plan>** to ensure that the student has opportunities to improve academic performance to reach the passing standard for the course. The principal will evaluate the quality of the plan, including the content, timeline, intended outcome, communication and the mechanism for delivery. This plan should be ready prior to finalizing the grades, so it can be communicated to relevant students, families, and/or teachers immediately. Students who are on track for retention must be considered for and documented for RtI. To change a grade for a previous term after Report Cards have been issued, teachers must request a *Historical Grade Change* form from the SIS/Registrar.

### **Section 5: Grading of District-Normed Assessments and Instruments**

Because of the variance in assessment designs and scales, acceptable performance on assessments can vary greatly by assignment. For example, an AP score of 2 denotes that a student is ready to take that course in college, but to show mastery that would earn the student college credit, a student needs to earn a 3 or greater on the AP exam. For some AP tests, a student will earn a 2 with a demonstrated mastery of 27% of the assessment content and 40% mastery of the assessment content would earn the student a qualifying score of 3. These grades would both represent failing grades on a 100-point scale, so adjustments are necessary align to letter- grading. These adjustments will be needed for any assessment where the performance band does not align to the letter grading.

In the table below are examples of how one could use Mastery Bands to select an appropriate letter grade, based on the alignment of the assessment. For example, Student A in AP Biology showed 21% correct on his AP-aligned unit exam, and, since that is equivalent to a Level 1 score, the teacher entered a 55 in the gradebook to represent the level of mastery. Student B had 88% mastery on her STAAR-aligned assessment for 5<sup>th</sup> math, and the teacher used the "Masters" level to indicate As, entering a 91 in the gradebook. Student C is 1 grade level behind in reading in 1<sup>st</sup> grade, but is meeting progress each week at mastery, so the teacher input a 69 in the gradebook.

**Consult your manager for guidance about how match letter grades to mastery, as the examples in the table below are examples and not prescriptions.**

**TABLE 1: EXAMPLES OF SELECTING A STUDENT GRADE ON A 100-POINT SCALE BASED ON RELATIVE STUDENT MASTERY**

AP-aligned assessment example: AP Bio. (Student A)		FSA-aligned assessment example: 5 <sup>th</sup> Math (Student B)	
Raw % Score	AP Mastery Bands	Raw % Score	FSA Mastery Bands
75-100	Level 5	86-100	5
60-74	Level 4	72-86	4
40-59	Level 3	65-71	3
27-39	Level 2	47-64	2
0-26	Level 1	0-46	1

## Section 6: Assessment Weight for Blended Spaces

The assignment weights for the Blended Spaces align to the students' program goals and the honor roll status for the campus. These key metrics determine student success and maximize the impact of the Blended Spaces programs. Data show that when students meet AR Zone and iLearning Hotspot goals, they experience the most substantial improvements in reading and math comprehension and test results.

	AR		Hotspot	
Grade	1-5	6-8	1-5	6-7
Summative	None	None	None	None
Formative	Word Count–100%	Word Count–100%	DreamBox lessons completed – 100%	Dreambox lessons completed – 100%

## Section 7: Grading for Students with Disabilities

RISE teachers should grade students based on formal and informal assessments. Below is a chart to help guide teachers on various types of assessments that will be utilized to measure the progress students demonstrate. Gradebooks are set up with the following weight categories.

Category	Examples	PK - 21
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<p><b>Summative</b></p> <p><i>Summative assessments</i> are for evaluating the level of mastery after an instructional phase is completed</p>	<p><b>DI PK-2:</b> Mastery Tests  <b>CSI 3<sup>rd</sup>-8<sup>th</sup> Reading:</b> Mastery Tests, RENSTAR Star Diagnostic Report: RENSTAR Star Growth Report  <b>Non-DI:</b> Unit tests, Embedded Assessments, End of Module Exams, reports, presentations, and other compositions that culminate an instructional phase</p>	<p>25%</p>
<p><b>Formative</b></p> <p><i>Formative assessments and assignments</i> provide ongoing feedback to teachers to improve instruction and to students to improve their learning.</p>	<p><b>DI PK-2:</b> Independent work, fix ups, and homework  <b>CSI 3<sup>rd</sup>-8<sup>th</sup> Reading:</b> Independent work, checkouts  <b>Non-DI:</b> Quizzes, classwork tasks, mid-unit assessments, written work (journals, OERs, essays), Socratic Seminars, Dialogue, practice problems, homework, exit tickets</p>	<p>75%</p>

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** US Foods, Amendment to Contract

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**Proposed Board Action:** For Approval

**Executive Summary:**

This amendment is including 2 new locations in Jacksonville to existing contract approved by the board on May 28, 2021 for purchase of food and non-food items. This item is part of cooperative agreement with OMNIA Partners Contract #19FS1 for Food Products and Distribution for K-12 and Other Public Agencies services.

---

**Supporting Documentation:** Amendment to contract attached

**Presenter:** Fernando Aguilar, VP of Child Nutrition Program



# CONTRACT REQUEST FORM

☐ New contract (Check one)  
☐ Renewal  
☒ Amendment

☐ New vendor (Check one)  
☒ Existing vendor

Date 02/23/2022

Requester Name and Title Janet Fuentes, CNP Procurement Manager

Campus/Department Child Nutrition Program

Organization IDEA Florida, Inc *Select one from the drop down menu*

Vendor Name US Foods Vendor No. 160

CO-OP Member ☒ Yes ☐ No If YES, which one OMNIA Partners

Vendor is a former employee ☐ Yes ☒ No If YES, last day of employment \_\_\_\_\_

Will this service provider be on campus when students are present? ☐ Yes ☒ No

Description of services

Including 2 new locations in Jacksonville to existing contract for purchase of food and non-food items.

Contract terms Start date July 2022 End date June 2023

Amount n/a

Fund Source n/a  
(Account string)

**Section I.** Are you using State/Philanthropic funds for this purchase? ☐ Yes ☒ No  
*If yes, please do not fill out Section II.*

**Section II.** If using Federal/Grant funds, please refer to the threshold below:

*Please note if a co-op vendor used at any stage, it automatically satisfies all criteria for federal funds regardless of threshold.*

Is this a Micro Purchase? ☐ Yes  
(\$1 - \$10,000) ☐ No

Is this a Small Purchase? ☐ Yes If YES, 2 quotes are required. (Please include vendor and amount on your quotes)  
(\$10,001 - \$249,999) ☐ No Vendor/Quote 1 \_\_\_\_\_

Vendor/Quote 2 \_\_\_\_\_

Is this Purchase >\$250,000? ☒ Yes If YES, BID/RFP required  
☐ No RFP# OMNIA Partners Co-op Contract # 19FS1  
Award Letter \_\_\_\_\_

**Section III.** Board approval required? ☐ Yes ☒ No If YES, provide date of approval \_\_\_\_\_  
(If amount is >\$250,000 and not a co-op vendor, or is not originally approved during the budget process)

**Section IV.** Urgent request ☐ Yes  
☒ No If YES, provide the reason and date needed by \_\_\_\_\_

Management approval Christopher Ruiz Digitally signed by Christopher Ruiz  
Date: 2022.02.23 15:37:31 -06'00' Name and Title Christopher Ruiz, CNP Director of Finance and Procurement

*Direction for Delivery to Additional Locations*

CUSTOMER INFORMATION	
IDEA Florida, Inc	#91475244
Legal Name of Customer (INC., LLC, LP, etc.)	Credit Identification Number of Customer
02/23/2022	
Date of Customer Account Application	

The **Customer** (identified above) executed and delivered a Customer Account Application (the “**Application**”) on the date indicated above. In the Application, Customer identified one or more approved locations (each, an “**Approved Delivery Location**”) for delivery of goods and/or perform services by US Foods, Inc. (together with each of its operating subsidiaries and affiliates, collectively, the “**Seller**”).

By its signature below, Customer confirms that (i) each location identified on Exhibit A (attached hereto and incorporated herein by reference) shall constitute an additional Approved Delivery Location as if such location was originally included on the Application, (ii) Customer directs Seller to deliver goods to and/or perform services at such location(s), (iii) Customer shall be liable for payment of all invoices from Seller with respect to goods delivered to and/or services performed at any Approved Delivery Location, and (iv) each Approved Delivery Location is owned and/or operated by Customer, and not by a separate legal entity.

This Direction for Delivery to Additional Locations shall constitute a Subsequent Agreement (as such term is defined in the Application). Other than the additional Approved Delivery Location(s) set forth on Exhibit A, Customer confirms all terms of the Application, including the Billing Instructions described in the Application, remain true, correct and enforceable. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

Travis Markey  
\_\_\_\_\_  
Print Name  
  
Sr. Director of Finance  
\_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Signature  
  
02/23/2022  
\_\_\_\_\_  
Date

Sales Associate: \_\_\_\_\_ Terms Requested: NET 21 DAYS Terms Approved: \_\_\_\_\_  
For Office Use Only:

--

*Exhibit A to  
Direction for Delivery to Additional Locations*

Customer Name: IDEA Florida, Inc.

Credit Identification Number: #91475244

APPROVED DELIVERY LOCATION(S)	
<div>SHIP TO: IDEA River Bluff</div> <div>2354 Universty Blvd N</div> <div>Delivery Address Jacksonville FL 32211</div> <div>City State/Province Zip 956-272-2330</div> <div>Telephone Number</div> <div>Fax Number</div>	<div>SHIP TO: IDEA Bassett</div> <div>1845 Basset Road</div> <div>Delivery Address Jacksonville FL 32208</div> <div>City State/Province Zip 956-272-2330</div> <div>Telephone Number</div> <div>Fax Number</div>
<div>SHIP TO:</div> <div>Delivery Address</div> <div>City State/Province Zip</div> <div>Telephone Number</div> <div>Fax Number</div>	<div>SHIP TO:</div> <div>Delivery Address</div> <div>City State/Province Zip</div> <div>Telephone Number</div> <div>Fax Number</div>
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<div>SHIP TO:</div> <div>Delivery Address</div> <div>City State/Province Zip</div> <div>Telephone Number</div> <div>Fax Number</div>	<div>SHIP TO:</div> <div>Delivery Address</div> <div>City State/Province Zip</div> <div>Telephone Number</div> <div>Fax Number</div>

*Exhibit A to  
Direction for Delivery to Additional Locations*

Customer Name: \_\_\_\_\_

Credit Identification Number: \_\_\_\_\_

<div>SHIP TO:</div> <div>_____</div> <div>Delivery Address</div> <div>_____</div> <div>City      State/Province      Zip</div> <div>_____</div> <div>Telephone Number</div> <div>_____</div> <div>Fax Number</div> <div>_____</div>	<div>SHIP TO:</div> <div>_____</div> <div>Delivery Address</div> <div>_____</div> <div>City                      State/Province      Zip</div> <div>_____</div> <div>Telephone Number</div> <div>_____</div> <div>Fax Number</div> <div>_____</div>
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<div>SHIP TO:</div> <div>_____</div> <div>Delivery Address</div> <div>_____</div> <div>City      State/Province      Zip</div> <div>_____</div> <div>Telephone Number</div> <div>_____</div> <div>Fax Number</div> <div>_____</div>	<div>SHIP TO:</div> <div>_____</div> <div>Delivery Address</div> <div>_____</div> <div>City                      State/Province      Zip</div> <div>_____</div> <div>Telephone Number</div> <div>_____</div> <div>Fax Number</div> <div>_____</div>



## CONTRACT REQUEST FORM

<input checked="" type="checkbox"/>	New contract	(Check one)
<input type="checkbox"/>	Renewal	
<input type="checkbox"/>	New vendor	(Check one)
<input type="checkbox"/>	Existing vendor	

Date 5/3/2021Requestor Name and Title Michael LopezCampus/Department CNPVendor Name OMNIA Partner Contracts Vendor No. \_\_\_\_\_CO-OP Member ☒ Yes  
☐ NoIf YES, which one OMNIA Partners Contract

Description of services

OMNIA Partners Contract #19FS1 - Food Products and Distribution for K-12 and Other Public Agencies

Contract terms Start date May 14th 2021 End date ongoingAmount ---Fund Source 4330 - Food Services  
(Account string)

**Section I.** Are you using State/Philanthropic funds for this purchase? ☐ Yes ☒ No  
If yes, please do not fill out Section II.

**Section II.** If using Federal/Grant funds, please refer to the threshold below:

Please note if a co-op vendor used at any stage, it automatically satisfies all criteria for federal funds regardless of threshold.

Is this a Micro Purchase? ☐ Yes  
(\$1 - \$10,000) ☐ NoIs this a Small Purchase? ☐ Yes  
(\$10,001 - \$249,999) ☐ No

If YES, 2 quotes are required. (Please include vendor and amount on your quotes)

Vendor/Quote 1 \_\_\_\_\_

Vendor/Quote 2 \_\_\_\_\_

Is this Purchase >\$250,000? ☒ Yes  
☐ No

If YES, BID/RFP required

RFP# COOP

Award Letter \_\_\_\_\_

**Section III.** Board approval required? ☒ Yes ☐ No If YES, provide date of approval \_\_\_\_\_  
(If amount is >\$250,000 and not a co-op vendor, or is not originally approved during the budget process)

If YES, provide the reason and date needed by

**Section IV.** Urgent request ☒ Yes  
☐ No

Allows for the distribution of food in Florida schools.

Management approval Fernando AguilarDigitally signed by Fernando Aguilar  
Date: 2021.05.03 10:16:30 -05'00'

Name and Title \_\_\_\_\_



April 16, 2021

**RE: IDEA Public Schools Board Approval Request for US Foods and CNP Cooperative Contract**

Dear IDEA Public Schools Board,

IDEA Public Schools – Child Nutrition Program is seeking approval to establish a partnership with US Food and Premier through their OMNIA Partners Contract # *19FS1 – Food Products and Distribution for K-12 and Other Public Agencies.*

Procurement Summary

1. US Foods & Premier are eligible under this procurement to provide food products and distribution for the Tampa Bay Region opening in Aug. 2021.

Documents Attached:

- A. Master Agreement (Omnia Partners Document)
- B. Renewal Letter (Omnia Partners Document)
- C. Amendment with Jessica Lunsford Act (Section 1012.32, Florida Statutes) and Protest Procedures (Chapter 120, Florida Statutes)

If we can be of any further assistance or if you have any questions or concerns regarding this RFP, please feel free to contact me at (956) 314-9343 or at [Michael.lopez@ideapublicschools.org](mailto:Michael.lopez@ideapublicschools.org).

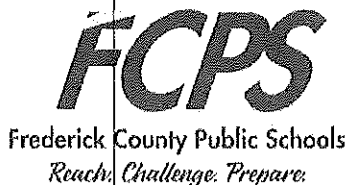
Sincerely,

Michael Lopez

CNP Director of Finance and Procurement



Purchasing Office  
191 South East Street  
Frederick, Maryland 21701  
301-644-5074 phone  
301-644-5213 fax



Stephen P. Starmer, C.P.M., CSBA,  
Purchasing Manager  
Kim Miskell, Assistant Purchasing Manager  
Bill Meekins CFPB, CFCP, Purchasing Agent  
Shane Ryberg, Purchasing Agent

## MASTER AGREEMENT

THIS AGREEMENT is made as of this 24<sup>th</sup> day of April, 2019, by and between Frederick County Public Schools ("FCPS") and Premier Healthcare L.P and US Foods Inc. (collectively the "consultant")

### BACKGROUND

A FCPS is located at 191 South East Street, Frederick County, MD 21701.

B. This supplier is responsible for the delivery of Food Products and Distribution for FCPS Food & Nutrition Services Department.

NOW, THEREFORE, in consideration of the foregoing and the terms and conditions hereinafter contained and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

#### 1. Term.

This Agreement shall be for a term beginning June 1, 2019 and, unless sooner terminated as provided in this Agreement, expiring on May 31, 2021. By mutual agreement of the parties and finalization of renewal pricing, the contract may be renewed from June 1, 2021, through May 31, 2023, and subsequently for up to two (2) additional two-year periods for a maximum term of eight (8) years.

#### 2. Services

During the term of this Agreement Consultants shall provide the services which are set forth in the following documents outlined which are a part of this Agreement and the Consultant's response thereto, which is incorporated by reference thereto and which is also part of this Agreement.

- A Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies, RFP #19FS1
- B. Consultant's Technical Response to the Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies
- C. Consultant's Pricing Response to the Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies
- D. Contractor's Response to Proposal Clarification Questions dated October 03, 2018.

Frederick County Public Schools' will issue a final ruling on any perceived contradictions concerning the various components of this Agreement listed below. In the event of a conflict in the interpretation of the various components of this Agreement, the Order of Preference is as follows:

- A This Agreement.
- B. Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies, RFP #19FS1.
- C. Contractor's Technical Response to the Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies.
- D. Contractor's Pricing Response to the Request for Proposals for Food Products and Distribution for K-12 and Other Public Agencies.
- E. Contractor's Response to Proposal Clarification Questions dated October 03, 2018.

It is understood that delivery of most services will be provided by Consultant's preferred primary vendor, US Foods, Inc. ("Vendor"), which is designated as Consultant's subcontractor for the purpose of this Agreement. In addition, FCPS and Participating Agencies will have access to Premier's full foodservice contract offering which includes additional non-broadline suppliers subject to the local procurement regulations and procedures of each member.



Frederick County Public Schools

*Reach. Challenge. Prepare.*

### 3. Payment

The Board agrees to pay Vendor and Vendor agrees to accept, as full compensation for Consultant's and Vendor's services under this Agreement, a fee per case of delivered product as set in the price proposal. Vendor shall submit an invoice on at the time of delivery detailing the products delivered and the actual costs incurred. Payment shall be made in accordance with the Pages 30-31 of RFP #19FS1.

4. Independent Contractor. The Board and Consultant recognize and agree that Consultant is an independent contractor, and that neither Consultant nor any of Consultant's employees or agents are employees of the Board.

5. Subcontract or Assignment. Consultant shall not subcontract or assign any part of this Agreement with the exception of any of the consultant's affiliates without the prior written consent of the Board; provided, however, the Board acknowledges and agrees that the delivery of food products that shall be assigned to US Foods, Inc. the Consultant's preferred prime vendor. \*

### 6. Insurance

The Consultant and its subcontractors, US Foods, Inc., shall procure and keep in force the following required insurance coverages listed below.

- A. Commercial General Liability Insurance at limits of not less than One Million Dollars (\$1,000,000) per occurrence for claims arising out of bodily injuries or death, and property damages, subject to a minimum limit of One Million Dollars (\$1,000,000) aggregate. Such insurance shall include contractual liability insurance.
- B. Business Automobile Liability at limits of not less than One Million Dollars (\$1,000,000) per occurrence for all claims arising out of bodily injuries or death and property damages. The Insurance shall apply to any owned, non-owned, leased, or hired automobiles used in the performance of this Agreement.
- C. Workers' Compensation coverage as required by the State of Maryland, as well as any similar coverage required for this work by applicable Federal or "other state's" state law.
- D. The Board and its elected/appointed officials, employees, departments, agencies, agents and volunteers shall be covered, by endorsement, as additional insureds with respect to liability arising out of activities performed or to be performed by or on behalf of the Consultant or US Foods, Inc., as applicable.

### 7. Criminal Background Check

It is the responsibility of Consultant to make certain, through a criminal background check, that its employees and contractors who may have contact with students are in compliance with Title 5, Subtitle 5, Part VI, of the Family Law Article of the Maryland Code and have not been convicted of nor have pending charges for the commission of or attempt to commit Murder, Child Abuse, Rape, Child Pornography, Child Abduction, Kidnapping of a Child or Sexual Offense as defined by Article 27, Subsection 464, 464A and 464C of the Annotated Code of Maryland. All costs for conducting a criminal background check shall be borne by Consultant. The Consultant and its employees and contractors who may have contact with students, shall, to its knowledge, be free of tuberculosis. Furthermore, it shall be the responsibility of the consultant to notify all subcontractors and vendors of the requirements listed herein.

8. Compliance with Laws. Consultant shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations applicable to the services to be rendered under this Agreement. Notwithstanding the provisions of Section 13, Consultant's material violation of any of these laws, statutes, ordinances, rules, or regulations in the performance of the services constitutes a breach of this Agreement and entitles the Board to terminate this Agreement immediately upon delivery of written notice of termination to Consultant.

### 9. Termination for Convenience.

This contract may be terminated by either party at any time, without any liability, upon thirty (30) days prior written notice to the other party, provided that Consultant shall be compensated for services rendered prior to the date of termination.

10. Performance Evaluation. The Board or its authorized agent or representative may conduct an evaluation of the Consultant's performance under this contract. Consultant shall fully cooperate with the Board or its authorized agent or representative and shall provide such information and documents as may be requested to conduct the performance evaluation.

11. Governing Law. This Agreement shall be construed by and governed under the laws of the State of Maryland.



Frederick County Public Schools

*Reach. Challenge. Prepare.*

IN WITNESS WHEREOF, the parties hereto by their duly authorized representatives have executed this Agreement as of the date written below.

**Facility:** Frederick County Public Schools

Date: April 29, 2019

Name: Dr. Theresa Alban

Title: Superintendent

Signature: Theresa Alban

**Premier Inc.:**

Name: Jon Garrett

Title: Vice President - Food & Nutrition Strategy

Email: jon-garrett@premierinc.com Direct Phone # 720-445-1712

Fax # \_\_\_\_\_

Address: 13034 BALLANTYNE CORPORATE PLACE

City: CHARLOTTE

State: NC

Zip: 28277

Signature: Jon Garrett

**Purchasing Office**

191 South East St  
Frederick, Maryland 21701  
301-644-5204 phone  
301-644-5213 fax



Leslie Pellegrino, CPA,  
Acting Purchasing Manager  
Kim Miskell, CSBO, Assistant Purchasing  
Manager  
Bill Meekins CPPB, CPPO, NIGP-CPP, CSBO,  
CPCP, Purchasing Agent  
**Shane Ryberg, Purchasing Agent**

March 29, 2021

Premier, Inc.  
13034 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attn: Jon Garrett, Vice President  
[jon\\_garrett@premierinc.com](mailto:jon_garrett@premierinc.com)

Dear Mr. Garrett:

Ref: Notice of Award – RFP 19FS1, Food Products and Distribution for K-12 and Other Public Agencies

Please be advised that on March 24, 2021, the Board of Education of Frederick County renewed the contract for RFP 19FS1, Food Products and Distribution for K-12 and Other Public Agencies, with your company, per the attached Summary of Renewal.

The renewal term shall be effective from June 1, 2021 through May 31, 2023, with two two-year renewal options remaining.

As stated in the specifications, please send the following document within the next ten days:

- A current Certificate of Insurance in accordance with the coverage requirements listed in the bid document.

Your continued interest in serving Frederick County Public Schools is appreciated. Should you have any questions concerning this matter, please contact me at (301) 644-5204.

Sincerely,

*Shane Ryberg*

Shane Ryberg,  
Purchasing Agent

Attachments: Summary of Renewal

SR/kl

cc: Robert Kelly, Director, Food and Nutrition Services  
Bid file





May 27<sup>th</sup>, 2021

RE: Side Letter Agreement ("SLA") for IDEA Florida, Inc. accessing the Frederick County Public Schools - contract # 19FS1

Dear Idea Florida Inc,

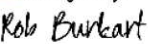
The purpose of this SLA is to confirm certain understandings and commitments regarding performance by US Foods, Inc. ("USF") of certain purchasing, warehousing, and distribution functions and other related services for food and related non-food products for IDEA Public Schools ("Customer"). "Contractor" shall be understood to refer jointly to Premier Healthcare Alliance, L.P. ("Premier"), in partnership with USF.

The parties hereby acknowledge that this SLA amends the Customer's participation in the OMNIA Partners, Public Sector (hereinafter "OMNIA", previously known as U.S. Communities) cooperative purchasing opportunity for Food Products and Distribution, based on Contract #19FS1 ("Master Agreement") dated April 24, 2019, by and between Frederick County Public Schools and the Contractor.

The parties hereby agree that, notwithstanding anything to the contrary otherwise contained in the Master Agreement, the following terms and conditions shall apply to Customer's purchase of products under the Master Agreement:

USF, as distributor, will abide by all pertinent local, state and Federal laws including but not limited the Jessica Lunsford Act (Section 1012.32, Florida Statutes).

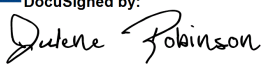
Regards,

DocuSigned by:  
  
49C0BECF43C148D...

---

Rob Burkart      Vice President, National Sales- US Foods

**IDEA FL, Inc. Executive Director**

DocuSigned by:  
  
023CF492FA71489...

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Jacksonville University – Brooks Rehabilitation College of Health Care Sciences Partnership

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**Proposed Board Action:** For Approval

**Executive Summary:**

The University and IDEA (the Clinical/Internship Site) are interested in furthering and enhancing the education of approved students in the Brooks Rehabilitation College of Healthcare Sciences (the “BRCHS”); to participate in a cooperative program of instruction and Clinical/Internship experiential experience for students.

---

**Supporting Documentation:** Clinical Internship Affiliation Agreement

**Presenter:** Octavius Davis, Regional Director of Operations, IDEA – Jacksonville

**JACKSONVILLE UNIVERSITY  
BROOKS REHABILITATION COLLEGE OF HEALTHCARE SCIENCES  
CLINICAL/INTERNSHIP AFFILIATION AGREEMENT  
WITH  
IDEA Florida, Inc**

This Affiliation Agreement (the “Agreement”) is executed and delivered and shall be effective as of 1<sup>st</sup> day in February, 2022 by and among the Brooks Rehabilitation College of Healthcare Sciences for **Jacksonville University** (the “University”) **IDEA Florida, Inc** (the “Clinical/Internship Site”).

**RECITALS**

**A.** The University and the Clinical/Internship Site are interested in furthering and enhancing the education of approved students in the Brooks Rehabilitation College of Healthcare Sciences ( the “BRCHS”);

**B.** The University and the Clinical/Internship Site desire to reach an affiliation agreement for the purpose of furthering and enhancing education of BRCHS students; and

**NOW THEREFORE**, the University and Clinical/Internship Site agree to participate in a cooperative program of instruction (the “Clinical/Internship Site Program”) and Clinical/Internship/ experiential experience for the students as follows:

**Section 1. University Obligations:**

(a) Prior to the beginning of the Clinical/Internship or experiential, the University will provide to the Clinical/Internship Site the name(s) of the BRCHS students



who have been approved by University faculty to participate in the Clinical/Internship Site Program, including information on the days and hours to which these students have been assigned and are available to participate in the Clinical/Internship Site Program.

(b) The University will identify members of the University's faculty who will be responsible for supervision and instruction of students participating in the Clinical/Internship Site Program.

(c) The number of students to be assigned to the Clinical/Internship Site will be determined by the Clinical/Internship Site in collaboration with the BRCHS faculty.

(d) The University will identify a supervising faculty member or staff member to plan, in collaboration with the specified Clinical/Internship Site supervisor, the assignment that will be assumed by the student(s) while participating in the Clinical/Internship Site Program. The assignment will include education of BRCHS students and provide information to the Clinical/Internship Site staff on the attendance policy, student responsibilities, clinics, courses, site supervisor expectations, programs and other responsibilities of participation in the Clinical/Internship Site Program.

(e) The University will enforce such rules and regulations governing the education of the students and their conduct as may be promulgated by the Clinical/Internship Site.

(f) The University will assure that each student satisfies the requirements for health examinations and such other medical and protective measures, policies and certifications, as the Clinical/Internship Site may deem necessary.

(g) The University will provide curriculum materials related to the Clinical/Internship Site Program to the student.

(h) The University shall conduct background checks, for each student participating in the Clinical/Internship Site Program.

(i) The University shall maintain professional insurance and general comprehensive liability insurance with each policy providing coverage for occurrences during the term of this Agreement with limits no less than \$1,000,000 per occurrence and \$5,000,000 annual aggregate, covering the University, the University's faculty members and students. The University also shall maintain workers' compensation insurance, as required by Florida law, insuring against injury to the University's employees. Upon reasonable request, the University shall provide satisfactory evidence of insurance as required by this Agreement.

**Section 2. Clinical/Internship Site Obligations:**

(a) The Clinical/Internship Site shares in the responsibility for the education, guidance and supervision of students participating in the Clinical/Internship Site Program.

(b) The Clinical/Internship Site will coordinate, in collaboration with the University, the schedules and activities of participating students in such a manner as to prevent conflict of schedules in the planned learning experience in their respective academic program. This coordination involves planning with the BRCHS faculty members for the assignment of students to specific projects and experiences in the aspects of education and/or healthcare provided by the Clinical/Internship Site, including

attendance at selected conferences, clinics, courses and programs conducted under the direction of the Clinical/Internship Site.

(c) The Clinical/Internship Site will provide orientation on the Clinical/Internship Site's operations to the University's faculty members and students before students are placed at the Clinical/Internship Site.

(d) The Clinical/Internship Site will provide sufficient staffing to ensure that patients/clients receive safe and effective care in areas in which students participate as part of the Clinical/Internship Site Program.

(e) The Clinical/Internship Site, at all times, retains responsibility for patient/client care regardless of students who might be assigned by the Clinical/Internship Site to deliver aspects of care to specific patients/clients.

(f) To the extent reasonably feasible, the Clinical/Internship Site shall provide reasonable classroom space, office space, and storage space for participating students and their faculty or staff supervisors.

(g) The Clinical/Internship Site shall permit, upon reasonable request, the inspection of its Clinical/Internship and other facilities by agencies charged with accreditation of the University's educational programs.

### **Section 3. Withdrawal of Student:**

(a) On request by the Clinical/Internship Site, the University will withdraw any student, faculty members, or staff member from the Clinical/Internship Site if such further participation by such faculty member, staff or student in the Clinical/Internship Site Program is disruptive or detrimental or a student's performance is not satisfactory.

(b) On request by the University, the Clinical/Internship Site will allow withdraw of any student from the Clinical/Internship Site if such further participation by such student in the Clinical/Internship Site Program is compromised due to violation of the Clinical/Internship Site's obligations, as defined in Section 2 above.

**Section 4. Compliance and Confidentiality:**

(a) At all times, the University and the Clinical/Internship Site, and their respective agents and employees, shall comply with all State, local and federal laws, rules and regulations in the performance of this Agreement, specifically including requirements of the Health Insurance Portability and Accountability Act (HIPAA) and regulations promulgated there under.

(b) At all times, the University and the Clinical/Internship Site, and their respective agents and employees, shall maintain patient confidentiality as required by State and federal law. The Clinical/Internship Site may require students and faculty members to sign a Business Associate Agreement pursuant to requirements of HIPAA and consistent with the Clinical/Internship Site's policies and procedures.

**Section 5. Nature of Agreement:**

This Agreement is not intended to be a partnership agreement, joint venture agreement or employment agreement. The parties are independently contracting with one another to provide educational opportunities as described above. The employees and agents of one party shall not be considered to be the employees or agents of the other party. Neither party is authorized to act for or bind the other party. Each party is

fully responsible for the actions, acts and omissions of its own employees and agents, but is not responsible for the actions, acts or omissions of the other party.

**Section 6. Term and Termination of Agreement:**

(a) The term of this Agreement (the “Term”) shall commence on the Effective Date as defined in this agreement and shall end one (1) calendar year from the Effective Date. The Term shall automatically renew each year for one (1) calendar year term unless either party gives notice of non-renewal at least sixty (60) days before the end of the Term. However, students participating in the Clinical/Internship Site Program at the time of termination will be allowed to complete their participation in the Clinical/Internship Site Program through the remainder of the academic semester.

(b) Either party to this Agreement may terminate this Agreement at any time and for any reason, with or without cause, by giving at least sixty (60) days written notice of termination. However, students participating in the Clinical/Internship Site Program at the time of termination will be allowed to complete their participation in the program through the remainder of the academic semester.

**Section 7. Indemnification:**

The parties to this Agreement each indemnify and hold each other (including their respective trustees, directors, officers and employees) harmless, to the extent that the party seeking indemnification is not insured, for all claims, demands, causes of action, and lawsuits against one another, including all attorney’s fees, costs, and damages incurred as a result of such a claim, demand, cause of action or lawsuit, by any third party

alleging any act, omission, tort, or negligence arising out of or otherwise relating to this Agreement or either party's services, operations, actions or inactions. Nothing herein shall be construed to shall be construed to waive IDEA Florida Inc.'s applicable protections under Florida Statutes 768.28.

**Section 8. Governing Law and Venue:**

(a) This Agreement shall not be construed for or against either party based on which party may have drafted all or part of the Agreement.

(b) This Agreement shall be construed under and governed by the law of State of Florida.

(c) The parties agree that any action arising out of or in connection with this Agreement shall be taken to mediation prior to litigation in a state court of competent jurisdiction in Duval County, Florida or in the United States District Court for the Middle District of Florida, Jacksonville Division. Both parties agree to waive all rights to trial by Jury.

**Section 9. Entire Agreement and Amendments:**

This Agreement is the entire agreement between the parties. This Agreement may not be modified, amended or otherwise changed in any manner except in writing executed by both parties.

**Section 10. Effective Date of Agreement:**

This Agreement is effective on this 1<sup>st</sup> day of February 2022 (referred to as the "Effective Date").

**JACKSONVILLE UNIVERSITY**

---

Signature

BY: Randal Freebourn

Its: CFO

Date: \_\_\_\_\_

**IDEA Florida, Inc**

---

Signature

BY: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Netsync Contract

---

**Proposed Board Action:** For Approval

**Executive Summary:**

These services were bid out through E-Rate and Netsync was the selected provider. This is for the purchase of equipment and installation for new construction as well as the refresh of infrastructure at several campuses. This does not bind us to purchasing but only that we must use Netsync as the service provider for these projects. Services will be for FY 22-23.

---

**Supporting Documentation:** Contract attached

**Presenter:** Dennis Stewart, Assistant Director of Technical PMO





# CONTRACT REQUEST FORM

☒ New contract (Check one)  
☐ Renewal  
  
☐ New vendor (Check one)  
☒ Existing vendor

Date 2/10/2022

Requester Name and Title Cristina Gomez, IT Project Coordinator

Campus/Department Information Systems & Technology

Organization IDEA Florida, Inc Select one from the drop down menu

Vendor Name Netsync Network Solutions Vendor No. \_\_\_\_\_

CO-OP Member ☒ Yes ☐ No If YES, which one DIR-TSO-4167

Vendor is a former employee ☐ Yes ☒ No If YES, last day of employment \_\_\_\_\_

## Description of services

These services were bid out through E-Rate and Netsync was the selected provider. This is for the purchase of equipment and installation for newly construction (Phase 2 & Phase 3) as well as the refresh of infrastructure at several campuses. This does not bind us to purchasing but only that we must use Netsync as the service provider for these projects.

Contract terms Start date 7/1/2022 End date 6/30/2023

Amount 290,594.46

Fund Source CapEx  
(Account string)

**Section I.** Are you using State/Philanthropic funds for this purchase? ☒ Yes ☐ No  
*If yes, please do not fill out Section II.*

**Section II.** If using Federal/Grant funds, please refer to the threshold below:

*Please note if a co-op vendor used at any stage, it automatically satisfies all criteria for federal funds regardless of threshold.*

Is this a Micro Purchase? ☐ Yes  
(\$1 - \$10,000) ☐ No

Is this a Small Purchase? ☐ Yes If YES, 2 quotes are required. (Please include vendor and amount on your quotes)  
(\$10,001 - \$249,999) ☐ No

Vendor/Quote 1 \_\_\_\_\_

Vendor/Quote 2 \_\_\_\_\_

Is this Purchase >\$250,000? ☐ Yes If YES, BID/RFP required  
☐ No RFP# \_\_\_\_\_

Award Letter \_\_\_\_\_

**Section III.** Board approval required? ☐ Yes ☒ No If YES, provide date of approval \_\_\_\_\_  
(If amount is >\$250,000 and not a co-op vendor, or is not originally approved during the budget process)

If YES, provide the reason and date needed by

**Section IV.** Urgent request ☒ Yes ☐ No  
**Signed contract must be submitted to USAC by 3/22 in order to be eligible for E-Rate funding.**

Management approval Dennis Stewart Digitally signed by Dennis Stewart  
Date: 2022.02.10 18:10:56  
-06'00' Name and Title \_\_\_\_\_



## CONTRACT FOR SERVICES AND/OR PRODUCTS E-RATE FUNDING YEAR 2022-2023

	Service Provider "Provider"	School/Library "Applicant"
Company Name:	Netsync Network Solutions	IDEA Florida
Contact Name:	Xavier Trevino	Travis Markey
SPIN:	143028685	
Address:	2500 West Loop. S Suite 410	804 Main Street
City, State ZIP:	Houston, TX 77027	Baton Rouge, LA 70802
Phone:	(956) 340-2126	(225) 963-6539
DIR-TSO:	4167	
TIPS/TAPS:	161101	

This contract made and entered into on this 18 day of February 2022 by and between Provider and Applicant as specified above.

### SERVICES

The Provider agrees to provide to the Applicant the services and/or products as specified in: 220006323 IDEA Florida Cat 2 2022.

### RECITALS

Pursuant to the Schools and Libraries Universal Services Support Mechanism (E-Rate) contained in the Universal Service Provisions of the Telecommunications Act of 1996 [47 U.S.C. § 254. Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) ("1996 Act")], Applicant advertised for certain telecommunications, Internet, and internal connections services. Provider submitted bid to provide same. In accordance with the requirements of the regulations implementing the Act, Applicant considered the bid and determined that it should be accepted. The parties are now ready to enter into a contract for the furnishing of such services and/or products and they set their agreement in writing as follows:

### AGREEMENT

For and in consideration of the payment of the sums of money specified herein, together with other good and valuable consideration, Provider does hereby agree to furnish, and Applicant does hereby agree to accept and pay, the discounted price for the services bid.

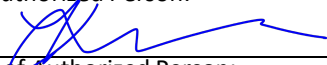
The applicable term of this contract shall commence on July 1, 2022, for all recurring services and shall terminate on June 30, 2023 for those services. The applicable term date for non-recurring services and products shall commence on July 1, 2022, and shall terminate on September 30, 2023. The contract expiration date for non-recurring services shall be automatically extended to align with Universal Services Administrative Company ("USAC") authorized extensions.

If USAC, or its successor, should fail to approve all of or any part of the services and products covered by this contract, then the Applicant shall have the right, at its option, to cancel this contract, as to that part of the services and products disallowed for discount pricing.

The total costs of the services and/or products shall not exceed \$468,072.87 (pre-discount amount). In no circumstances shall Applicant be liable for an amount exceeding the Applicant's non-discount share, unless Applicant's governing board specifically waives this provision in writing.



Executed and delivered on the day and year first written above.

For Provider:	For Applicant:
Signature of Authorized Person: 	Signature of Authorized Person:
Printed Name of Authorized Person: Kristi Matsunaga	Printed Name of Authorized Person: Travis Markey
Title: Contracts Manager	Title: Sr. Director of Finance/IPS Controller
Date: February 10, 2022	Date:

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Spectrum Contract

---

**Proposed Board Action:** For Approval

**Executive Summary:**

This is for the internet/WAN service renewal for the Jacksonville campuses opening in 2022 as well as the temporary (leased) Jacksonville Regional Office. This contract was bid out through E-Rate. Spectrum was the sole bidder for the RFP. This is paid from the enterprise telecom budget.  
Services will be for FY 22-23.

---

**Supporting Documentation:** Contract attached

**Presenter:** Dennis Stewart, Assistant Director of Technical PMO



# CONTRACT REQUEST FORM

<input checked="" type="checkbox"/>	New contract	(Check one)
<input type="checkbox"/>	Renewal	
<input type="checkbox"/>	Amendment	
<input type="checkbox"/>	New vendor	(Check one)
<input checked="" type="checkbox"/>	Existing vendor	

Date 1/31/2022

Requester Name and Title Cristina Gomez, IT Project Coordinator

Campus/Department Information Systems & Technology

Organization IDEA Florida, Inc Select one from the drop down menu

Vendor Name Spectrum Enterprise (Charter) Vendor No. 237

CO-OP Member ☐ Yes ☒ No If YES, which one \_\_\_\_\_

Vendor is a former employee ☐ Yes ☒ No If YES, last day of employment \_\_\_\_\_

Will this service provider be on campus when students are present? ☐ Yes ☒ No

Description of services

This is for the internet/WAN service renewal for the Jacksonville campuses opening in 2022 as well as the temporary (leased) Jacksonville Regional Office. This contract was bid out through E-Rate. Spectrum was the sole bidder for the RFP. This is paid from the enterprise telecom budget.

Contract terms Start date 7/1/2022 End date 6/30/2023

Amount 84,330

Fund Source 4541-6213-000-ORG-7200-99-XXXX-0000-0000-  
(Account string)

**Section I.** Are you using State, Local or Philanthropic funds for this purchase? ☒ Yes ☐ No  
*If yes, please do not fill out Section II.*

**Section II.** If using Federal/Grant funds, please refer to the threshold below:

*Please note if a co-op vendor used at any stage, it automatically satisfies all criteria for federal funds regardless of threshold.*

Is this a Micro Purchase? ☐ Yes  
(\$1 - \$10,000) ☐ No

Is this a Small Purchase? ☐ Yes If YES, 2 quotes are required. (Please include vendor and amount on your quotes)  
(\$10,001 - \$249,999) ☐ No Vendor/Quote 1 \_\_\_\_\_

Vendor/Quote 2 \_\_\_\_\_

Is this Purchase >\$250,000? ☐ Yes If YES, BID/RFP required  
☐ No RFP# \_\_\_\_\_

Award Letter \_\_\_\_\_

**Section III.** Board approval required? ☒ Yes ☐ No If YES, provide date of approval \_\_\_\_\_  
(If amount is >\$250,000 and not a co-op vendor, or is not originally approved during the budget process)

If YES, provide the reason and date needed by

**Section IV.** Urgent request ☒ Yes  
☐ No

In order to receive funding, the signed contracts must be submitted to E-Rate by March 22, 2022

Management approval Dennis Stewart  
Digitally signed by Dennis Stewart  
Date: 2022.02.08 15:54:24 -06'00'

Name and Title Dennis Stewart, Asst. Director - Technical PMO



## SERVICE ORDER

THIS SERVICE ORDER ("Service Order"), is executed and effective upon the date of the signature set forth in the signature block below ("Effective Date") and is by and between Charter Communications Operating, LLC on behalf of those operating subsidiaries providing the Service(s) hereunder ("Spectrum") and Customer (as shown below) and is governed by and subject to the Spectrum Enterprise Commercial Terms of Service posted to the Spectrum Enterprise website, <https://enterprise.spectrum.com/> (or successor url) or, if applicable, an existing services agreement mutually executed by the parties (each, as appropriate, a "Service Agreement"). Except as specifically modified herein, all other terms and conditions of the Service Agreement shall remain unamended and in full force and effect.

### Spectrum Enterprise Contact Information

Contact: Andrew Kutler  
Telephone: 2105829784  
Email: andrew.kutler@charter.com

### Customer Information

Customer Name IDEA PUBLIC SCHOOL s	Order # 12917348	
Address 2115 W Pike Blvd Weslaco TX 78596		
Telephone (225) 963-6539	Email: travis.markey@ideapublicschools.org	
Contact Name Travis Markey	Telephone (225) 963-6539	Email: travis.markey@ideapublicschools.org
Billing Address 2115 W Pike Blvd Weslaco TX 78596		
Billing Contact Name Keicha Trask	Telephone (225) 963-6539	Email: payablefl@ideapublicschools.org

NEW AND REVISED SERVICES AT 1845 Bassett Rd Unit evpl, Jacksonville FL 32208				
Service Description	Order Term	Quantity	Monthly Recurring Charge(s)	Total Monthly Recurring Charge(s)
Ethernet - Type II 1 Gbps	12 Months	1	\$ 0.00	\$ 0.00
EVPL	12 Months	1	\$2,155.00	\$2,155.00
<b>TOTAL*</b>				<b>\$2,155.00</b>

NEW AND REVISED SERVICES AT 2354 University Blvd N , Jacksonville FL 32211				
Service Description	Order Term	Quantity	Monthly Recurring Charge(s)	Total Monthly Recurring Charge(s)
Ethernet - Type II 1 Gbps	12 Months	1	\$ 0.00	\$ 0.00
EVPL	12 Months	1	\$2,155.00	\$2,155.00
<b>TOTAL*</b>				<b>\$2,155.00</b>

NEW AND REVISED SERVICES AT 3105 University Blvd N , Jacksonville FL 32211				
Service Description	Order Term	Quantity	Monthly Recurring Charge(s)	Total Monthly Recurring Charge(s)
Ethernet - Type II 1 Gbps	12 Months	1	\$ 0.00	\$ 0.00
EVPL	12 Months	1	\$2,155.00	\$2,155.00
<b>TOTAL*</b>				<b>\$2,155.00</b>

NEW AND REVISED SERVICES AT 6919 S Flores St Unit HUB, San Antonio TX 78221				
Service Description	Order Term	Quantity	Monthly Recurring Charge(s)	Total Monthly Recurring Charge(s)
EVPL 1Gbps	12 Months	3	\$ 0.00	\$ 0.00
<b>TOTAL*</b>				<b>\$0.00</b>

ONE TIME CHARGE(S) AT 2354 University Blvd N , Jacksonville FL 32211			
Service Description	Quantity	One Time Charge(s)	Total One Time Charge(s)
Retail Ethernet - Fiber Type II Install	1		\$2,250.00
<b>TOTAL*</b>			<b>\$2,250.00</b>

ONE TIME CHARGE(S) AT 3105 University Blvd N , Jacksonville FL 32211			
Service Description	Quantity	One Time Charge(s)	Total One Time Charge(s)
Retail Ethernet - Fiber Type II Install	1		\$2,250.00
<b>TOTAL*</b>			<b>\$2,250.00</b>

ONE TIME CHARGE(S) AT 6919 S Flores St Unit HUB, San Antonio TX 78221			
Service Description	Quantity	One Time Charge(s)	Total One Time Charge(s)
Ethernet Fiber Install	3		\$ 0.00
<b>TOTAL*</b>			<b>\$0.00</b>

ONE TIME CHARGE(S) AT 1845 Bassett Rd Unit evpl, Jacksonville FL 32208			
Service Description	Quantity	One Time Charge(s)	Total One Time Charge(s)
Retail Ethernet - Fiber Type II Install	1		\$2,250.00
<b>TOTAL*</b>			<b>\$2,250.00</b>





1. **TOTAL CHARGE(S).** Total Monthly Recurring Charges and Total One-Time Charges are due in accordance with the monthly invoice.
2. **TAXES.** Plus applicable taxes, fees, and surcharges as presented on the respective invoice(s).
3. **SPECIAL TERMS.**

#### **E-RATE FUNDING CONTINGENCY.**

Customer may submit this Service Order and the Agreement to the Schools and Libraries Division of the Universal Service Administrative Company, (i.e., the entity appointed by the Federal Communications Commission to administer the Universal Service Program with respect to Schools and Libraries (E-Rate) funding) as part of any application seeking a federal subsidy or funding.

Customer is responsible for notifying Charter of its election of either the Service Provider Invoice (SPI) or Billed Entity Applicant Reimbursement (BEAR) discount method by May 15th prior to the applicable funding year. Customer must complete and return an E-Rate Discount Election Form to Charter prior to such date, or Customer will be deemed to have chosen the BEAR discount method for the funding year.

Upon Charter's receipt of appropriate notice that Customer is an approved E-Rate program participant for a Service, Charter will invoice Customer for the Service in accordance with E-Rate guidelines and/or rules. If Charter invoices Customer for a Service pursuant to any E-Rate program rates, discounts or credits in advance of receiving such notice and Customer's request for E-Rate program funding is denied, limited or reduced, Charter will invoice Customer and Customer will pay the difference between such invoiced amount(s) and the actual amount of the charges for the Service as described in this Service Order. Notwithstanding anything herein to the contrary, Customer's obligations under this Service Order shall remain in full force and effect in the event Customer withdraws or is removed from the E-Rate program, receives E-Rate program funding that is less than Customer's requested funding amount, or is denied E-Rate program funding for any Service described in this Service Order. For the avoidance of doubt, Customer is solely responsible for all charges for services, as described in this Service Order, that



were installed prior to the E-Rate program funding year start date.

By signing below, the signatory represents they are duly authorized to execute this Service Order.

<b>CUSTOMER</b>	<b>Charter Communications Operating, LLC</b> <b>By: Charter Communications, Inc., its Manager</b>
Signature:_____	Signature:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____
Date:_____	Date:_____



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## Spectrum Enterprise

# Ethernet Service Level Agreement

This document outlines the Service Level Agreement (“SLA”) for fiber-based Spectrum Enterprise Ethernet Service and Spectrum Enterprise Cloud Connect Service (individually the “Service” and collectively the “Services”). Capitalized words used, but not defined herein, shall have the meanings given to them in the Agreement.

This SLA is a part of, and hereby incorporated by reference into the Spectrum Enterprise Service Agreement (including the terms and conditions, attachments, and Service Orders described therein, the “Agreement”). To the extent any provision of this SLA conflicts with the Agreement, this SLA shall control. Performance tier goals (“SLA Targets”) are set forth in the table(s) below.

Ethernet Services SLA Targets presented below are measured end to end (i.e. from any two applicable Customer’s edge or network interface devices at the Service Location) at the individual circuit or service level, and any applicable credits are issued for the affected circuit or service (the “Affected Service”).

The Cloud Connect Service SLA Target for Availability is measured between Spectrum Enterprise’s network interface device (NID) located at the Customer location and the point of physical handoff of the Service to the Cloud Service Provider (the “Gateway Point”).

### I. SLA Targets for Ethernet and Cloud Connect Services:

Spectrum Enterprise Ethernet Services SLAs			
Performance Tier	Metro <sup>1</sup>	Regional <sup>1</sup>	National <sup>1,2</sup>
Miles <sup>3</sup>	0 - 155	>155 - 746	> 746
Kilometers <sup>3</sup>	0 - 250	>250 - 1200	> 1200
Latency	≤ 10ms	≤ 25ms	≤ 60ms
Jitter	≤ 2ms	≤ 4ms	≤ 8ms
Frame Loss	≤ 0.01%	≤ 0.01%	≤ 0.01%
Availability	≥ 99.99%	≥ 99.99%	≥ 99.99%
MTTR	4 hrs.	4 hrs.	4 hrs.

<sup>1</sup> “Metro”, “Regional”, and “National” includes circuits that are provided by Spectrum Enterprise to Service Locations directly from the Spectrum Enterprise Network.

<sup>2</sup> “National” also includes all circuits provided by third party service providers, regardless of distance.

<sup>3</sup> Miles and Kilometers are measured by fiber router miles.

Spectrum Enterprise Cloud Connect Gateway Point SLAs	
Availability	≥ 99.99%

## II. Priority Classification:

“Excluded Disruptions” means (i) planned outages, (ii) routine or urgent maintenance, (iii) time when Spectrum Enterprise is unable to gain access to Customer’s premises to troubleshoot, repair or replace equipment or the Service, (iv) service problems resulting from acts of omissions of Customer or Customer’s representatives or agents, (v) Customer equipment failures, (vi) Customer is not prepared to release the Service for testing, and (vii) Force Majeure Events. Notwithstanding anything to the contrary in the Agreement, any service issues beyond the connectivity to the Cloud Service Provider is not covered by this SLA.

A “Service Disruption” is defined as an outage, disruption, or severe degradation, other than an Excluded Disruption, that interferes with the ability of a Spectrum Enterprise network hub to transmit and receive network traffic between Customer’s A and Z Service Locations. The Service Disruption period begins when Customer reports a Service Disruption using Spectrum Enterprise’s trouble ticketing system by contacting Customer Care, Spectrum Enterprise acknowledges receipt of such trouble ticket, Spectrum Enterprise validates that the Service is affected, and Customer releases the Service for testing. The Service Disruption ends when the affected Service has been restored.

“Service Degradation” means a degradation of the Service that is not a Service Disruption or a result of an Excluded Disruption, such as failure of the Service to achieve the SLA Targets for Latency / Frame Delay, Jitter / Frame Delay Variation, or Packet / Frame.

Spectrum Enterprise will classify Service problems as follows:

Priority	Criteria
Priority 1	<ul style="list-style-type: none"> <li>Service Disruption resulting in a total loss of Service; or</li> <li>Service Degradation to the point where Customer is unable to use the Service and is prepared to release it for immediate testing (each a “Priority 1 Outage”).</li> </ul>
Priority 2	<ul style="list-style-type: none"> <li>Service Degradation where Customer is able to use the Service and is not prepared to release it for immediate testing.</li> </ul>
Priority 3	<ul style="list-style-type: none"> <li>A service problem that does not impact the Service; or</li> <li>A single non-circuit specific quality of Service inquiry.</li> </ul>

## III. Service Availability:

“Service Availability” is calculated as the total number of minutes in a calendar month less the number of minutes that the Service is unavailable due to a Priority 1 Outage (“Downtime”), divided by the total number of minutes in a calendar month.

The following table contains examples of the percentage of Service Availability translated into minutes of Downtime for the 99.99% Service Availability Target:

Percentage by Days Per Month	Total Minutes / Month	Downtime Minutes
99.99% for 31 Days	44,640	4.5
99.99% for 30 Days	43,200	4.3
99.99% for 29 Days	41,760	4.2
99.99% for 28 Days	40,320	4

#### IV. Mean Time to Restore (MTTR):

The MTTR measurement for Priority 1 Outages is the average time to restore Priority 1 Outages during a calendar month calculated as the cumulative length of time it takes Spectrum Enterprise to restore a Service following a Priority 1 Outage in a calendar month divided by the corresponding number of trouble tickets for Priority 1 Outages opened during the calendar month for the Service.

MTTR per calendar month is calculated as follows:

<b>Cumulative length of time to restore Priority 1 Outage(s) per Service</b>
<hr/>
<b>Total number of Priority 1 Outage trouble tickets per Service</b>

#### V. Latency / Frame Delay:

Latency or Frame Delay is the average roundtrip network delay, measured every 5 minutes during a calendar month, unless measurement is not possible as a result of an Excluded Disruption, to adequately determine a consistent average monthly performance level for frame delay for each Service. The roundtrip delay is expressed in milliseconds (ms).

Latency / Frame Delay is calculated as follows:

<b>Sum of the roundtrip delay measurements for a Service</b>
<hr/>
<b>Total # of measurements for a Service</b>

## VI. Packet Loss / Frame Loss Ratio:

Packet Loss or Frame Loss Ratio is defined as the percentage of frames that are not successfully received compared to the total frames that are sent in a calendar month, except where any packet or frame loss is the result of an Excluded Disruption. The percentage calculation is based on frames that are transmitted from a network origination point and received at a network destination point.

**Packet Loss / Frame Loss Ratio is calculated as follows:**

$\text{Packet Loss / Frame Loss (\%)} = 100 (\%) - \frac{\text{Frames Received}}{\text{Total Frames Sent}} \times 100 (\%)$
---

## VII. Jitter / Frame Delay Variation:

Jitter or Frame Delay Variation is defined as the variation in delay for two consecutive frames that are transmitted (one-way) from a network origination point and received at a network destination point. Spectrum Enterprise measures a sample set of frames every 5 minutes during a calendar month, unless measurement is not possible as a result of an Excluded Disruption, and determines the average delay between consecutive frames within each sample set. The monthly Jitter / Frame Delay Variation is calculated as the average of all of the frame delay variation measurements during such calendar month and is expressed in milliseconds (ms).

$\frac{\text{Sum of the Frame Delay Variation measurements for a Service}}{\text{Total \# of measurements for a Service}}$
--

## VIII. Network Maintenance:

### Maintenance Notice:

Customer understands that from time to time, Spectrum Enterprise will perform network maintenance for network improvements and preventive maintenance. In some cases, Spectrum Enterprise will need to perform urgent network maintenance, which will usually be conducted within the routine maintenance windows. Spectrum Enterprise will use reasonable efforts to provide advance notice of the approximate time, duration, and reason for any urgent maintenance outside of the routine maintenance windows.

### Maintenance Windows:

Routine maintenance may be performed Monday – Friday 12 a.m. – 6 a.m. Local Time.

#### IX. Remedies Service Credit:

If the actual performance of a Service during any calendar month is less than the SLA Targets, and Customer is in compliance with the terms of the Agreement and this SLA, then Customer may request credit equal to the corresponding percentage of the monthly recurring charges for the Affected Service as set forth in the table below. Any credit to be applied will be off-set against any amounts due from Customer to Spectrum Enterprise in the billing cycle following the date Spectrum Enterprise makes its credit determination. Credit requests must be submitted to Spectrum Enterprise within thirty (30) days of the calendar month in which the SLA Target was missed. Spectrum Enterprise will exercise commercially reasonable efforts to respond to such credit requests within 30 days of receipt thereof.

Service Availability	Mean Time To Restore ("MTTR")		Latency / Frame Delay (Roundtrip)	Jitter / Frame Delay Variation	Packet / Frame Loss
30%	> 4 hours ≤ 7:59:59 hours	4%	5%	5%	5%
	> 8 hours	10%			

All SLA Targets are monthly measurements, and Customer may request only one credit per SLA Target per month for the Affected Service. Should one event impact more than one SLA hereunder, Customer shall receive the single highest of the qualifying credits only. Except as set forth below, the credits described in this SLA shall constitute Customer's sole and exclusive remedy, and Spectrum Enterprise's sole and exclusive liability, with respect to any missed SLA Targets. Service Credits hereunder shall not be cumulative per Service.

#### X. Chronic Priority 1 Outages:

If Customer experiences and reports three (3) separate Priority 1 Outages where the Downtime exceeds four (4) hours during each Priority 1 Outage within three (3) consecutive calendar months, then Customer may terminate the Affected Service without charge or liability by providing at least thirty (30) days written notice to Spectrum Enterprise; provided, however, that (i) Customer may only terminate the Affected Service; (ii) Customer must exercise its right to terminate the Affected Service by providing written notice to Spectrum Enterprise within thirty (30) days after the event giving rise to Customer's termination right; (iii) Customer shall have paid Spectrum Enterprise all amounts due at the time of such termination for all Services provided by Spectrum Enterprise pursuant to the Agreement, and (iv) the foregoing termination right provides the sole and exclusive remedy of Customer and the sole and exclusive liability of Spectrum Enterprise for chronic Priority 1 Outages and Customer shall not be eligible for any additional credits. Termination will be effective forty-five (45) days after Spectrum Enterprise's receipt of such written notice of termination.



# Spectrum Enterprise pre-service installation guide



Welcome, and thank you for choosing Spectrum Enterprise. After you sign your service order, our teams will keep you updated on the status of your order. In the meantime, this document will help you understand what happens as you progress toward the service installation process.

Feel free to reach out to your sales contact if you have questions or need additional information. When installation begins, however, you'll have a dedicated project manager who'll partner with you as your main point of contact for a successful installation.

## Client project milestones

- 1 Sign service order.
- 2 If necessary, work with our internal teams to provide any additional information or forms required to finalize your order.
- 3 Your Spectrum Enterprise project manager will contact you to introduce themselves and discuss next steps.

## Spectrum Enterprise project milestones

- 1 Sales team submits signed service order to Order Management team.
- 2 Internal teams gather any additional information that's required to finalize your order.
- 3 Dedicated project manager contacts you to discuss next steps.

## Spectrum Enterprise pre-service installation details

Let's look at more details about the milestones we'll reach before your service installation process begins.

### Milestones

- 1 **Sign service order**  
First, we'll finalize and sign your service order together. We are unable to proceed until the service order is signed, so if you have any concerns or questions about your order, please reach out to your sales contact right away.
- 2 **Finalize order**  
Our internal teams will make sure we have all of the information we need to begin the installation process. This stage can take one to two weeks to complete. During this time, we may be in touch to get additional information and required forms.  
If your order includes voice services, this would be a good time to engage your vendor. If you're transferring phone numbers from your current vendor to your Spectrum Enterprise account, we'll need a complete list of the numbers you're transferring. Your vendor can help you pull these from your phone server. We also request your vendor be available to participate in cutover activities on the day of activation. Your project manager will work closely with you and your vendor throughout the implementation process, and schedule the cutover once the service is ready.
- 3 **Connect with project manager**  
As we're finalizing your order, your dedicated project manager will be in touch about next steps. Your project manager will be your primary point of contact during service installation, however, you may hear from additional team members throughout the process.  
You will be invited to an introduction call where your project manager will review your order and the installation process in more detail. During this meeting, we will agree to a call and reporting schedule to ensure a smooth and efficient installation.

Additional disclaimer pending - does not apply for coax or upgrades.

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[enterprise.spectrum.com](https://enterprise.spectrum.com)

**Spectrum**  
ENTERPRISE

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Advanced Spend of FY22-23 Budget for Technology Procurement

---

**Proposed Board Action:** For Approval

**Executive Summary:**

In order to ensure material readiness in preparation for the 2022-2023 school year, we are seeking authorization to spend funds in advance of the new fiscal year for the purposes of classroom technology including wall-mounted projectors, document cameras, student headsets, and front office technology. Given challenges in the current supply chain, it is imperative that orders occur prior to the end of March with anticipated delivery in July.

The total projected spend for technology for IDEA Jacksonville is **\$221,675.92**. This cost is broken down as follows:

Projectors: \$145,600.00  
Document Cameras: \$19,760.00  
Student Headsets: \$10,728.00  
Front Office Technology: \$45,587.92

**These expenses do not include costs associated with student and staff laptops, which are managed by the Technology Operations department.**

The total projected spend for technology for IDEA Tampa is **97,801.00**. The cost is broken down as follows:

Projectors: \$72,800  
Document Cameras: \$9,880.00  
Student Headsets: \$15,121.00

**These expenses do not include costs associated with student and staff laptops, which are managed by the Technology Operations department.**

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**Supporting Documentation:** Line Item Detail, Quotes from Vendors

**Presenter:** Director of Procurement, IDEA Public Schools



**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Advanced Spend of FY22-23 Budget for Furniture Procurement

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**Proposed Board Action:** For Approval

**Executive Summary:**

In order to ensure material readiness in preparation for the 2022-2023 school year, we are seeking authorization to spend funds in advance of the new fiscal year for the purposes of furniture for student and staff using, including but not limited to classrooms, administrative offices, reception areas, break rooms, cafeteria tables, and storage. Given challenges with raw materials, availability of labor, freight, and delivery, it is imperative that orders occur prior to the end of March with anticipated delivery in late July. The expenses below are current market rates; due to the volatility of the market particularly in logistics and freight, there may be additional charges incurred. As well, if construction runs particularly late, we may incur additional fees related to storage and multiple delivery fees.

The total projected spend for furniture for IDEA Jacksonville is **\$966,660.63**. This cost is broken down as follows:

Equipment: \$739,211.07

Services (Freight, Delivery, Installation): \$227,449.56

The total projected spend for furniture for IDEA Tampa is **\$267,503.50**. The cost is broken down as follows:

Equipment: \$204,561.50

Services (Freight, Delivery, Installation): \$62,942.00

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**Supporting Documentation:** Line Item Detail, Quotes from Vendors

**Presenter:** Director of Procurement, IDEA Public Schools



**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Advanced Spend of FY22-23 Budget for Instructional Materials Procurement

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**Proposed Board Action:** For Approval

**Executive Summary:**

In order to ensure material readiness in preparation for the 2022-2023 school year, we are seeking authorization to spend funds in advance of the new fiscal year for the purposes of instructional materials including student and teacher materials, manipulatives, printed and digital materials, it is imperative that orders occur no later than April 20<sup>th</sup> for delivery in June and July. Given the size and scale of IDEA's instructional demands on publishers and curriculum writers, approval now will provide enough time for our vendors to be responsive to our needs. The total projected spend for instructional materials for IDEA Tampa is **\$736,326.93**.

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**Supporting Documentation:** Line Item Detail, Quotes from Vendors

**Presenter:** Director of Procurement, IDEA Public Schools



Jacksonville Budget Proposal: Technology

Projectors	Total Cost	\$ 145,600.00
Document Cameras	Total Cost	\$ 19,760.00
Headset with Mic	Total Cost	\$ 10,728.00
Other	Total Cost	\$ 45,587.92
Final Cost		\$ 221,675.92



Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	IDEA Bassett	Academy	4312-6200-PBO-1304-5000-11-JACK-ENTR-0000-	\$ 50,400.00
JACK	2304	IDEA Bassett	College Prep	4312-6200-PBO-2304-5000-11-JACK-ENTR-0000-	\$ 22,400.00
JACK	1305	IDEA River Bluff	Academy	4312-6200-PBO-1305-5000-11-JACK-ENTR-0000-	\$ 50,400.00
JACK	2305	IDEA River Bluff	College Prep	4312-6200-PBO-2305-5000-11-JACK-ENTR-0000-	\$ 22,400.00
					<b>\$145,600.00</b>

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	IDEA Bassett	Academy	4312-6310-CBO-1304-5000-11-JACK-ENTR-0000-	\$ 6,840.00
JACK	2304	IDEA Bassett	College Prep	4312-6310-CBO-2304-5000-11-JACK-ENTR-0000-	\$ 3,040.00
JACK	1305	IDEA River Bluff	Academy	4312-6310-CBO-1305-5000-11-JACK-ENTR-0000-	\$ 6,840.00
JACK	2305	IDEA River Bluff	College Prep	4312-6310-CBO-2305-5000-11-JACK-ENTR-0000-	\$ 3,040.00
					<b>\$19,760.00</b>

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	IDEA Bassett	Academy	4312-6310-HBO-1304-5000-11-JACK-ENTR-0000-	\$ 4,966.50
JACK	2304	IDEA Bassett	College Prep	4312-6310-HBO-2304-5000-11-JACK-ENTR-0000-	\$ 397.50
JACK	1305	IDEA River Bluff	Academy	4312-6310-HBO-1305-5000-11-JACK-ENTR-0000-	\$ 4,966.50
JACK	2305	IDEA River Bluff	College Prep	4312-6310-HBO-2305-5000-11-JACK-ENTR-0000-	\$ 397.50
					<b>\$10,728.00</b>



	Jacksonville Budget Proposal: Textbooks (CTXT)			
	ACADEMY		College Prep	
Textbooks - 6330	Total Cost	\$ 649,096.47	Total Cost	\$ 69,095.25
Supplies - 6310	Total Cost	\$ 290,041.12	Total Cost	\$ 33,488.26
Supplies Software - 6310-CSW	Total Cost	\$ 46,998.00	Total Cost	\$ 33,250.00
Reading Material - 6331	Total Cost	\$ 9,098.22	Total Cost	\$ -
Printing Materials - 6140	Total Cost	\$ 46,702.50	Total Cost	\$ 27,657.60
Final Cost		\$ 1,041,936.32		\$ 163,491.11

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	Bassett	Academy	4312-6330-000-1304-5000-11-JACK-CTXT-0000-	\$ 324,548.24
JACK	1304	Bassett	Academy	4312-6310-000-1304-5000-11-JACK-CTXT-0000-	\$ 145,020.56
JACK	1304	Bassett	Academy	4312-6310-CSW-1304-5000-11-JACK-CTXT-0000-	\$ 23,499.00
JACK	1304	Bassett	Academy	4312-6331-000-1304-5000-11-JACK-CTXT-0000-	\$ 4,549.11
JACK	1304	Bassett	Academy	4312-6140-000-1304-5000-11-JACK-CTXT-0000-	\$ 23,351.25
JACK	1305	River Bluff	Academy	4312-6330-000-1305-5000-11-JACK-CTXT-0000-	\$ 324,548.24
JACK	1305	River Bluff	Academy	4312-6310-000-1305-5000-11-JACK-CTXT-0000-	\$ 145,020.56
JACK	1305	River Bluff	Academy	4312-6310-CSW-1305-5000-11-JACK-CTXT-0000-	\$ 23,499.00
JACK	1305	River Bluff	Academy	4312-6331-000-1305-5000-11-JACK-CTXT-0000-	\$ 4,549.11
JACK	1305	River Bluff	Academy	4312-6140-000-1305-5000-11-JACK-CTXT-0000-	\$ 23,351.25

Fund	Object	Sub-Object	Org	Function	Pic	Region	Local 1	Local 2	Account String Built
4312	6330	000	1304	5000	11	JACK	CTXT	0000	4312-6330-000-1304-5000-11-JACK-CTXT-0000-
4312	6310	000	1304	5000	11	JACK	CTXT	0000	4312-6310-000-1304-5000-11-JACK-CTXT-0000-
4312	6310	CSW	1304	5000	11	JACK	CTXT	0000	4312-6310-CSW-1304-5000-11-JACK-CTXT-0000-
4312	6331	000	1304	5000	11	JACK	CTXT	0000	4312-6331-000-1304-5000-11-JACK-CTXT-0000-
4312	6140	000	1304	5000	11	JACK	CTXT	0000	4312-6140-000-1304-5000-11-JACK-CTXT-0000-
4312	6330	000	1305	5000	11	JACK	CTXT	0000	4312-6330-000-1305-5000-11-JACK-CTXT-0000-
4312	6310	000	1305	5000	11	JACK	CTXT	0000	4312-6310-000-1305-5000-11-JACK-CTXT-0000-
4312	6310	CSW	1305	5000	11	JACK	CTXT	0000	4312-6310-CSW-1305-5000-11-JACK-CTXT-0000-
4312	6331	000	1305	5000	11	JACK	CTXT	0000	4312-6331-000-1305-5000-11-JACK-CTXT-0000-
4312	6140	000	1305	5000	11	JACK	CTXT	0000	4312-6140-000-1305-5000-11-JACK-CTXT-0000-

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	2304	Bassett	College Prep	4312-6330-000-2304-5000-11-JACK-CTXT-0000-	\$ 34,547.63
JACK	2304	Bassett	College Prep	4312-6310-000-2304-5000-11-JACK-CTXT-0000-	\$ 16,744.13
JACK	2304	Bassett	College Prep	4312-6310-CSW-2304-5000-11-JACK-CTXT-0000-	\$ 16,625.00
JACK	2304	Bassett	College Prep	4312-6140-000-2304-5000-11-JACK-CTXT-0000-	\$ 13,828.80
JACK	2305	River Bluff	College Prep	4312-6330-000-2305-5000-11-JACK-CTXT-0000-	\$ 34,547.63
JACK	2305	River Bluff	College Prep	4312-6310-000-2305-5000-11-JACK-CTXT-0000-	\$ 16,744.13
JACK	2305	River Bluff	College Prep	4312-6310-CSW-2305-5000-11-JACK-CTXT-0000-	\$ 16,625.00
JACK	2305	River Bluff	College Prep	4312-6140-000-2305-5000-11-JACK-CTXT-0000-	\$ 13,828.80

Fund	Object	Sub-Object	Org	Function	Pic	Region	Local 1	Local 2	Account String Built
4312	6330	000	2304	5000	11	JACK	CTXT	0000	4312-6330-000-2304-5000-11-JACK-CTXT-0000-
4312	6310	000	2304	5000	11	JACK	CTXT	0000	4312-6310-000-2304-5000-11-JACK-CTXT-0000-
4312	6310	CSW	2304	5000	11	JACK	CTXT	0000	4312-6310-CSW-2304-5000-11-JACK-CTXT-0000-
4312	6140	000	2304	5000	11	JACK	CTXT	0000	4312-6140-000-2304-5000-11-JACK-CTXT-0000-
4312	6330	000	2305	5000	11	JACK	CTXT	0000	4312-6330-000-2305-5000-11-JACK-CTXT-0000-
4312	6310	000	2305	5000	11	JACK	CTXT	0000	4312-6310-000-2305-5000-11-JACK-CTXT-0000-
4312	6310	CSW	2305	5000	11	JACK	CTXT	0000	4312-6310-CSW-2305-5000-11-JACK-CTXT-0000-
4312	6140	000	2305	5000	11	JACK	CTXT	0000	4312-6140-000-2305-5000-11-JACK-CTXT-0000-

Jacksonville Budget Proposal: Furniture (CFRN)

Furniture - Supplies	Total Cost	\$ 739,211.07
Installation	Total Cost	\$ 227,449.56
Final Cost		\$ 966,660.63



Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	Bassett	Academy	4312-6310-FRN-1304-11-11-JACK-CFRN-0000-	\$ 109,209.10
JACK	1304	Bassett	Academy	4312-6310-FRN-1304-11-23-JACK-CFRN-0000-	\$ 11,840.40
JACK	1304	Bassett	Academy	4312-6310-FRN-1304-23-99-JACK-CFRN-0000-	\$ 52,034.78
JACK	1304	Bassett	Academy	4312-6310-FRN-1304-31-99-JACK-CFRN-0000-	\$ 1,852.50
JACK	1304	Bassett	Academy	4312-6310-FRN-1304-35-99-JACK-CFRN-0000-	\$ 57,427.50
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-11-11-JACK-CFRN-0000-	\$ 48,573.14
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-11-23-JACK-CFRN-0000-	\$ 19,298.50
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-12-11-JACK-CFRN-0000-	\$ 35,249.50
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-23-99-JACK-CFRN-0000-	\$ 14,360.13
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-31-99-JACK-CFRN-0000-	\$ 617.50
JACK	2304	Bassett	College Prep	4312-6310-FRN-2304-35-99-JACK-CFRN-0000-	\$ 19,142.50
JACK	1305	River Bluff	Academy	4312-6310-FRN-1305-11-11-JACK-CFRN-0000-	\$ 109,209.10
JACK	1305	River Bluff	Academy	4312-6310-FRN-1305-11-23-JACK-CFRN-0000-	\$ 11,840.40
JACK	1305	River Bluff	Academy	4312-6310-FRN-1305-23-99-JACK-CFRN-0000-	\$ 52,034.78
JACK	1305	River Bluff	Academy	4312-6310-FRN-1305-31-99-JACK-CFRN-0000-	\$ 1,852.50
JACK	1305	River Bluff	Academy	4312-6310-FRN-1305-35-99-JACK-CFRN-0000-	\$ 57,427.50
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-11-11-JACK-CFRN-0000-	\$ 48,573.14
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-11-23-JACK-CFRN-0000-	\$ 19,298.50
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-12-11-JACK-CFRN-0000-	\$ 35,249.50
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-23-99-JACK-CFRN-0000-	\$ 14,360.13
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-31-99-JACK-CFRN-0000-	\$ 617.50
JACK	2305	River Bluff	College Prep	4312-6310-FRN-2305-35-99-JACK-CFRN-0000-	\$ 19,142.50

**739211.07**

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
JACK	1304	Bassett	Academy	4312-6200-FRN-1304-11-11-JACK-CFRN-0000-	\$ 33,602.80
JACK	1304	Bassett	Academy	4312-6200-FRN-1304-11-23-JACK-CFRN-0000-	\$ 3,643.20
JACK	1304	Bassett	Academy	4312-6200-FRN-1304-23-99-JACK-CFRN-0000-	\$ 16,010.70
JACK	1304	Bassett	Academy	4312-6200-FRN-1304-31-99-JACK-CFRN-0000-	\$ 570.00
JACK	1304	Bassett	Academy	4312-6200-FRN-1304-35-99-JACK-CFRN-0000-	\$ 17,670.00
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-11-11-JACK-CFRN-0000-	\$ 14,945.58
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-11-23-JACK-CFRN-0000-	\$ 5,938.00
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-12-11-JACK-CFRN-0000-	\$ 10,846.00
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-23-99-JACK-CFRN-0000-	\$ 4,418.50
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-31-99-JACK-CFRN-0000-	\$ 190.00
JACK	2304	Bassett	College Prep	4312-6200-FRN-2304-35-99-JACK-CFRN-0000-	\$ 5,890.00
JACK	1305	River Bluff	Academy	4312-6200-FRN-1305-11-11-JACK-CFRN-0000-	\$ 33,602.80
JACK	1305	River Bluff	Academy	4312-6200-FRN-1305-11-23-JACK-CFRN-0000-	\$ 3,643.20
JACK	1305	River Bluff	Academy	4312-6200-FRN-1305-23-99-JACK-CFRN-0000-	\$ 16,010.70
JACK	1305	River Bluff	Academy	4312-6200-FRN-1305-31-99-JACK-CFRN-0000-	\$ 570.00
JACK	1305	River Bluff	Academy	4312-6200-FRN-1305-35-99-JACK-CFRN-0000-	\$ 17,670.00
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-11-11-JACK-CFRN-0000-	\$ 14,945.58
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-11-23-JACK-CFRN-0000-	\$ 5,938.00
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-12-11-JACK-CFRN-0000-	\$ 10,846.00
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-23-99-JACK-CFRN-0000-	\$ 4,418.50
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-31-99-JACK-CFRN-0000-	\$ 190.00
JACK	2305	River Bluff	College Prep	4312-6200-FRN-2305-35-99-JACK-CFRN-0000-	\$ 5,890.00
					<b>227449.56</b>

TAMPA Budget Proposal: Technology		
Projectors	Total Cost	\$ 72,800.00
Document Cameras	Total Cost	\$ 9,880.00
Headset with Mic	Total Cost	\$ 15,121.00
Final Cost		\$ 97,801.00

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	IDEA Hope	Academy	4312-6200-PBO-1301-5000-11-TAMP-ENTR-0000-	\$ 19,600.00
TAMP	2301	IDEA Hope	College Prep	4312-6200-PBO-2301-5000-11-TAMP-ENTR-0000-	\$ 16,800.00
TAMP	1302	IDEA Victory	Academy	4312-6200-PBO-1302-5000-11-TAMP-ENTR-0000-	\$ 19,600.00
TAMP	2302	IDEA Victory	College Prep	4312-6200-PBO-2302-5000-11-TAMP-ENTR-0000-	\$ 16,800.00
					<b>\$ 72,800.00</b>

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	IDEA Hope	Academy	4312-6310-CBO-1301-5000-11-TAMP-ENTR-0000-	\$ 2,660.00
TAMP	2301	IDEA Hope	College Prep	4312-6310-CBO-2301-5000-11-TAMP-ENTR-0000-	\$ 2,280.00
TAMP	1302	IDEA Victory	Academy	4312-6310-CBO-1302-5000-11-TAMP-ENTR-0000-	\$ 2,660.00
TAMP	2302	IDEA Victory	College Prep	4312-6310-CBO-2302-5000-11-TAMP-ENTR-0000-	\$ 2,280.00
					<b>\$ 9,880.00</b>

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	IDEA Hope	Academy	4312-6310-HBO-1301-5000-11-TAMP-ENTR-0000-	\$ 6,815.50
TAMP	2301	IDEA Hope	College Prep	4312-6310-HBO-2301-5000-11-TAMP-ENTR-0000-	\$ 747.50
TAMP	1302	IDEA Victory	Academy	4312-6310-HBO-1302-5000-11-TAMP-ENTR-0000-	\$ 6,815.50
TAMP	2302	IDEA Victory	College Prep	4312-6310-HBO-2302-5000-11-TAMP-ENTR-0000-	\$ 742.50
					<b>\$ 15,121.00</b>

	Tampa Budget Proposal: Textbooks (CTXT)			
	ACADEMY		College Prep	
Textbooks - 6330	Total Cost	\$ 68,603.01	Total Cost	\$ 65,757.88
Supplies - 6310	Total Cost	\$ 355,428.78	Total Cost	\$ 39,601.09
Supplies Software - 6310	Total Cost	\$ 55,835.00	Total Cost	\$ 33,860.75
Printing Materials - 6140	Total Cost	\$ 73,169.80	Total Cost	\$ 44,070.63
Final Cost		\$ 553,036.59		\$ 183,290.34

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	IDEA Hope	Academy	4312-6330-000-1301-5000-11-TAMP-CTXT-0000-	\$ 34,301.51
TAMP	1301	IDEA Hope	Academy	4312-6310-000-1301-5000-11-TAMP-CTXT-0000-	\$ 177,714.39
TAMP	1301	IDEA Hope	Academy	4312-6310-CSW-1301-5000-11-TAMP-CTXT-0000-	\$ 27,917.50
TAMP	1301	IDEA Hope	Academy	4312-6140-000-1301-5000-11-TAMP-CTXT-0000-	\$ 36,584.90
TAMP	1302	IDEA Victory	Academy	4312-6330-000-1302-5000-11-TAMP-CTXT-0000-	\$ 34,301.51
TAMP	1302	IDEA Victory	Academy	4312-6310-000-1302-5000-11-TAMP-CTXT-0000-	\$ 177,714.39
TAMP	1302	IDEA Victory	Academy	4312-6310-CSW-1302-5000-11-TAMP-CTXT-0000-	\$ 27,917.50
TAMP	1302	IDEA Victory	Academy	4312-6140-000-1302-5000-11-TAMP-CTXT-0000-	\$ 36,584.90



Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	2301	IDEA Hope	College Prep	4312-6330-000-2301-5000-11-TAMP-CTXT-0000-	\$ 32,878.94
TAMP	2301	IDEA Hope	College Prep	4312-6310-000-2301-5000-11-TAMP-CTXT-0000-	\$ 19,855.85
TAMP	2301	IDEA Hope	College Prep	4312-6310-CSW-2301-5000-11-TAMP-CTXT-0000-	\$ 16,977.25
TAMP	2301	IDEA Hope	College Prep	4312-6140-000-2301-5000-11-TAMP-CTXT-0000-	\$ 22,064.98
TAMP	2302	IDEA Victory	College Prep	4312-6330-000-2302-5000-11-TAMP-CTXT-0000-	\$ 32,878.94
TAMP	2302	IDEA Victory	College Prep	4312-6310-000-2302-5000-11-TAMP-CTXT-0000-	\$ 19,745.24
TAMP	2302	IDEA Victory	College Prep	4312-6310-CSW-2302-5000-11-TAMP-CTXT-0000-	\$ 16,883.50
TAMP	2302	IDEA Victory	College Prep	4312-6140-000-2302-5000-11-TAMP-CTXT-0000-	\$ 22,005.65

TAMPA Budget Proposal: Furniture (CFRN)

Furniture - Supplies	Total Cost	\$ 204,561.50
Installation	Total Cost	\$ 62,942.00
Final Cost		\$ 267,503.50

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	Hope	Academy	4312-6310-FRN-1301-11-11-TAMP-CFRN-0000-	\$ 32,498.70
TAMP	1301	Hope	Academy	4312-6310-FRN-1301-11-23-TAMP-CFRN-0000-	\$ 5,920.20
TAMP	1301	Hope	Academy	4312-6310-FRN-1301-23-99-TAMP-CFRN-0000-	\$ 1,852.50
TAMP	2301	Hope	College Prep	4312-6310-FRN-2301-11-11-TAMP-CFRN-0000-	\$ 45,093.75
TAMP	2301	Hope	College Prep	4312-6310-FRN-2301-11-23-TAMP-CFRN-0000-	\$ 6,418.10
TAMP	2301	Hope	College Prep	4312-6310-FRN-2301-23-99-TAMP-CFRN-0000-	\$ 8,027.50
TAMP	2301	Hope	College Prep	4312-6310-FRN-2301-31-99-TAMP-CFRN-0000-	\$ 2,470.00
TAMP	1302	Victory Vinik	Academy	4312-6310-FRN-1302-11-11-TAMP-CFRN-0000-	\$ 32,498.70
TAMP	1302	Victory Vinik	Academy	4312-6310-FRN-1302-11-23-TAMP-CFRN-0000-	\$ 5,920.20
TAMP	1302	Victory Vinik	Academy	4312-6310-FRN-1302-23-99-TAMP-CFRN-0000-	\$ 1,852.50
TAMP	2302	Victory Vinik	College Prep	4312-6310-FRN-2302-11-11-TAMP-CFRN-0000-	\$ 45,093.75
TAMP	2302	Victory Vinik	College Prep	4312-6310-FRN-2302-11-23-TAMP-CFRN-0000-	\$ 6,418.10
TAMP	2302	Victory Vinik	College Prep	4312-6310-FRN-2302-23-99-TAMP-CFRN-0000-	\$ 8,027.50
TAMP	2302	Victory Vinik	College Prep	4312-6310-FRN-2302-31-99-TAMP-CFRN-0000-	\$ 2,470.00
					<b>\$ 204,561.50</b>

Region	Org Number	Campus Name	Academy/College Prep	Account String	Amount
TAMP	1301	Hope	Academy	4312-6200-FRN-1301-11-11-TAMP-CFRN-0000-	\$ 9,999.60
TAMP	1301	Hope	Academy	4312-6200-FRN-1301-11-23-TAMP-CFRN-0000-	\$ 1,821.60
TAMP	1301	Hope	Academy	4312-6200-FRN-1301-23-99-TAMP-CFRN-0000-	\$ 570.00
TAMP	2301	Hope	College Prep	4312-6200-FRN-2301-11-11-TAMP-CFRN-0000-	\$ 13,875.00
TAMP	2301	Hope	College Prep	4312-6200-FRN-2301-11-23-TAMP-CFRN-0000-	\$ 1,974.80
TAMP	2301	Hope	College Prep	4312-6200-FRN-2301-23-99-TAMP-CFRN-0000-	\$ 2,470.00
TAMP	2301	Hope	College Prep	4312-6200-FRN-2301-31-99-TAMP-CFRN-0000-	\$ 760.00
TAMP	1302	Victory Vinik	Academy	4312-6200-FRN-1302-11-11-TAMP-CFRN-0000-	\$ 9,999.60
TAMP	1302	Victory Vinik	Academy	4312-6200-FRN-1302-11-23-TAMP-CFRN-0000-	\$ 1,821.60
TAMP	1302	Victory Vinik	Academy	4312-6200-FRN-1302-23-99-TAMP-CFRN-0000-	\$ 570.00
TAMP	2302	Victory Vinik	College Prep	4312-6200-FRN-2302-11-11-TAMP-CFRN-0000-	\$ 13,875.00
TAMP	2302	Victory Vinik	College Prep	4312-6200-FRN-2302-11-23-TAMP-CFRN-0000-	\$ 1,974.80
TAMP	2302	Victory Vinik	College Prep	4312-6200-FRN-2302-23-99-TAMP-CFRN-0000-	\$ 2,470.00
TAMP	2302	Victory Vinik	College Prep	4312-6200-FRN-2302-31-99-TAMP-CFRN-0000-	\$ 760.00
					<b>\$ 62,942.00</b>

**IDEA Florida  
Board Action Item  
March 24, 2022**

**Subject:** Proposed Resolution for Bank Account Signature Authority

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**Proposed Board Action:** For Approval

**Executive Summary:**

The purpose of the proposed resolution on bank signature authority is to update the signatories on all Florida bank accounts. The proposed resolution will allow backup personnel to assist with day-to-day cash management processes.

The proposed resolution authorizes signatories on all Florida accounts as follows:

Lizzette Gonzalez Reynolds – Board Chair  
Leanne Hernandez – Chief Financial Officer  
Travis Markey – Sr. Director of Finance /IPS Controller  
Vanessa Garza – Director of Accounting  
Jazmine Leon-Wing – VP of Treasury  
Miguel Berlanga – Director of Treasury

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**Supporting Documentation:** Proposed Resolution on Bank Signature Authority

**Presenter:** TBD, IDEA Public Schools

**BOARD RESOLUTION  
OF  
IDEA PUBLIC SCHOOLS**

**WHEREAS**, the Board desires to revoke bank account signature authority and replace former authorizers with new authorizers;

**NOW, THEREFORE**, the Board of Directors of IDEA Public Schools, at a lawfully called meeting of the Board, held in compliance with the laws and regulations of the State of Florida, do hereby adopt the following Resolution:

**BE IT HEREBY RESOLVED THAT:**

1. Pursuant to Section 7.3 of the management agreement between IDEA Florida Inc., and IPS Enterprises Inc., and section 8.4 of the IDEA Florida bylaws, the Board hereby revokes any prior bank account signature authority and by this resolution authorizes the following individuals

Lizzette Gonzalez Reynolds – Board Chair  
Leanne Hernandez – Chief Financial Officer  
Travis Markey – Sr. Director of Finance /IPS Controller  
Vanessa Garza – Director of Accounting  
Jazmine Leon-Wing – VP of Treasury  
Miguel Berlanga – Director of Treasury

to have signature authority on IDEA Florida bank accounts, as of the date of the adoption of this resolution and continuing until revoked by the board in writing. If any of these individuals are no longer serving in the positions identified above, this information shall promptly be brought to the attention of the Board so that bank signature authority may be amended to reflect such changes.

***[Signature Page Follows]***

**PASSED AND APPROVED BY THE MAJORITY OF MEMBERS OF THE  
BOARD OF DIRECTORS OF IDEA PUBLIC SCHOOLS ON THE 25<sup>TH</sup> DAY OF MARCH  
2022.**

Members Voting in Favor of Resolution:

Lizzette Gonzalez-Reynolds, Chair

Nick Rhodes, Secretary

Gary Chartrand, Director

Christina Barker, Director

**CERTIFICATION**

***The undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of a Resolution, duly approved during a public meeting held on March 25, 2022, which Resolution is in full force and effect and has not been revoked or amended.***

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Nick Rhodes, Board Secretary

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Date