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**INDENTURE OF TRUST**

**between**

**CITY OF RAMSEY, MINNESOTA,  
as Issuer**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of September 1, 2022**

**Relating to:**

**\$37,095,000  
City of Ramsey, Minnesota  
Charter School Lease Revenue  
Refunding Bonds  
(PACT Charter School Project)  
Series 2022A**

**\$315,000  
City of Ramsey, Minnesota  
Taxable Charter School Lease Revenue  
Refunding Bonds  
(PACT Charter School Project)  
Series 2022B**

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This instrument drafted by:  
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## **INDENTURE OF TRUST**

THIS INDENTURE OF TRUST, dated as of September 1, 2022 (as amended or supplemented from time to time, the "Indenture"), is between the CITY OF RAMSEY, MINNESOTA, a home rule charter city and political subdivision organized and existing under the Constitution and laws of the State of Minnesota, and any successor (or any successor thereto, the "Issuer"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America, with a designated corporate trust office located in St. Paul, Minnesota (or any successor thereto, the "Trustee"). Any capitalized terms used herein that are otherwise not defined shall have the meanings provided in Section 1.1 hereof.

### **RECITALS**

WHEREAS, pursuant to and in accordance with the provisions of Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), the Issuer is authorized to issue its revenue bonds to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any properties, real or personal, used, or useful in connection with a revenue-producing enterprise, whether or not operated for profit; and

WHEREAS, PACT Charter School, a Minnesota nonprofit corporation, formed as a public (charter) school pursuant to Section 124E.06 of the Charter School Act (or any successor thereto, the "Charter School"), has requested that the Issuer issue its (i) Charter School Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2022A (the "Series 2022A Bonds"), in the original aggregate principal amount of \$37,095,000; and (ii) Taxable Charter School Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2022B (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds"), in the original aggregate principal amount of \$315,000; and

WHEREAS, the proceeds derived from the sale of the Series 2022 Bonds will be used to make a loan (the "Loan") to PCS Building Company, a Minnesota nonprofit corporation (or any successor thereto, the "Company"), pursuant to a Loan Agreement, dated as of September 1, 2022 (as amended or supplemented from time to time, the "Loan Agreement"), between the Issuer and the Company, to (i) (a) currently refund the Issuer's outstanding Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2013A (the "Series 2013A Bonds"), the proceeds of which were used to advance refund the Issuer's Lease Revenue Bonds (PACT Charter School Project), Series 2004A (the "Series 2004 Bonds"), the proceeds of which were used to finance the acquisition, construction, and equipping of an approximately 74,000 square-foot school facility located at 7250 East Ramsey Parkway (the "Original School Facility") in the City of Ramsey, Minnesota (the "City"), which is currently leased to and operated by PACT Charter School, a Minnesota nonprofit corporation and 501(c)(3) organization (the "Charter School"), as a public charter school for students in grades kindergarten through twelve, and (b) refinance a taxable note by the Company, the proceeds of which were used for certain improvements to the Original School Facility; (ii) finance certain renovations to the Original School Facility to equip it to serve grades Kindergarten through five (the Original School Facility as improved, the "Elementary School Campus"); (iii) finance the acquisition of 18 acres of vacant land and the construction and equipping of an approximately 115,000 square-foot school facility located at or about 7633 161st

Avenue NW (the "Upper School Campus" and, with the Elementary School Campus, the "School Facilities") in the City, which will be leased to and operated by the School as a public charter school for students in grades six through twelve; (iv) fund required reserves; (v) finance capitalized interest on a portion of the Series 2022 Bonds; and (vi) pay the costs of issuing the Series 2022 Bonds (collectively, (i)-(vi) above shall be referred to as the "2022 Project"); and

WHEREAS, pursuant to a resolution adopted by the City Council of the Issuer on July 12, 2022, the Issuer authorized the issuance, sale, and delivery of the Series 2022 Bonds, approved the execution and delivery of this Indenture, the Loan Agreement, and certain other related documents, and took other actions with respect to the Series 2022 Bonds and the 2022 Project; and

WHEREAS, all things necessary to make the Series 2022 Bonds when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding, and legal obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the amounts pledged to the payment of the principal of, premium, if any, and interest on the Series 2022 Bonds, and to constitute this Indenture a valid assignment of the rights of the Issuer under the Loan Agreement (other than the Issuer's Unassigned Rights), have been done and performed, and the creation, execution, and delivery of this Indenture, and the creation, execution, and issuance of the Series 2022 Bonds, subject to the terms hereof, have in all respects been duly authorized;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH:**

**GRANTING CLAUSES**

That the Issuer in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds issued hereunder by the Bondholders thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure, for the equal and proportionate benefit, security and protection of the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in the following to the Trustee and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Issuer hereinafter set forth (collectively, the "Trust Estate"):

**GRANTING CLAUSE FIRST**

The Loan Agreement and any Security Document (including but not limited to the Pledge Agreement and the Mortgage), including all extensions and renewals of the term thereof, if any, together with all right, title, and interest of the Issuer in and to the Loan Agreement (except for the Issuer's Unassigned Rights), including but not limited to the present and continuing right to make claim for, collect, receive, and receipt for any of the sums, amounts, income, revenues, issues, and profits and any other sums of money payable or receivable under the Security Documents (except for amounts payable to the Issuer under or with respect to the Issuer's Unassigned Rights), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer under the Loan Agreement and the other Security Documents is or may become entitled to.

## **GRANTING CLAUSE SECOND**

All money, assets, and securities from time to time held by the Trustee under the terms of this Indenture, except for money deposited with or paid to the Trustee for the redemption of specific Bonds, which money shall be held in trust for the Bondholders of such specific Bonds only, except for money in the Rebate Fund which is not subject to the lien of this Indenture.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in said Trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security, and protection of all present and future Bondholders of the Bonds, from time to time, issued under and secured by this Indenture without privilege, priority, or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds;

PROVIDED, FURTHER, that the pledge of the right, title and interest of the Issuer in and to the Trust Estate is given subject to the right of the Issuer to issue Additional Bonds under Section 2.12 that are secured on a parity basis with the Series 2022 Bonds by the Trust Estate; and

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner set forth in the Bonds according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article V hereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon, and shall well and truly cause to be kept, performed, and observed all of its covenants and conditions pursuant to the terms of this Indenture, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this Indenture and the rights hereby granted shall cease, determine, and be void; otherwise this Indenture shall remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and all said property, rights, and interests, including, without limitation, the amounts payable under the Loan Agreement and any Security Document (including, but not limited to the Pledge Agreement and the Mortgage) and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as herein expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective Bondholders of the Bonds as follows:

(The remainder of this page is intentionally left blank.)

## ARTICLE I

### DEFINITIONS AND RULES OF CONSTRUCTION

**SECTION 1.1. Definitions.** The following words and phrases shall have the following meanings:

Account Control Agreement means the Account Control Agreement, dated as of September 1, 2022, between the Trustee, the Charter School, and the Depository Bank, and all amendments thereof and supplements thereto.

Act means Minnesota Statutes, Sections 469.152 through 469.165, as amended.

Additional Bonds means any additional bonds issued and secured on a parity with the Series 2022 Bonds in accordance with Section 2.12 hereof.

Affiliated Building Company means an affiliated nonprofit building corporation, as described in Section 124E.13, subdivision 3 of the Charter School Act, that is an Exempt Organization.

Alternate Issuer means the same as defined in Section 2.12 of this Indenture.

Assignment of Lease means the Assignment of Lease, dated as of September 1, 2022, by the Company in favor of the Trustee and consented to by the Charter School, and all amendments thereof and supplements thereto.

Authorizer means [**Authorizer**], a Minnesota \_\_\_\_\_, and any successor thereto who is an approved charter school authorizer by MDE and enters into a Charter Contract/Agreement with the Charter School.

**[Bank Qualified Fee Agreement means \_\_\_\_\_].**

Bond Counsel means Taft Stettinius & Hollister LLP, or any other nationally recognized bond counsel acceptable to the Issuer and the Company.

Bond Fund means the fund created pursuant to Article V of this Indenture.

Bond Purchase Agreement means (i) with respect to the Series 2022 Bonds, the Bond Purchase Agreement, dated \_\_\_\_\_, 2022, between the Original Purchaser, the Issuer, the Company, and the Charter School, and (ii) with respect to any issue of Additional Bonds, the bond purchase agreement or contract entered into by the Original Purchaser, Issuer, the Company, and the Charter School with respect to such issue of Additional Bonds.

Bond Registrar means the Trustee in its capacity as registrar of the Bonds.

Bond Year means, with respect to (i) the Series 2022 Bonds, the one (1) year period beginning on each June 1 and ending on May 31 of each subsequent year, except that the first Bond Year shall begin on the Date of Issuance of the Series 2022 Bonds and end on May 31, 2023,

and (ii) for any issue of Additional Bonds, the Bond Year elected for such issue of Additional Bonds in a Supplemental Indenture.

Bondholder or Holder or Beneficial Owner means the actual person who is the beneficial owner of any Bonds or the actual persons who are the beneficial owners of any Bonds and for such purposes of this Indenture shall not mean any designee of DTC.

Bonds means the Series 2022 Bonds and any Additional Bonds.

Building Lease Aid or Lease Aid means amounts received by the Charter School from the State pursuant to Section 124E.22(b) of the Charter School Act to fund payments due under the Lease, or any replacement provision therefor pursuant to State law.

Business Day means any day of the year other than (a) a Saturday or Sunday, or (b) any day on which banking business is not transacted by banks in the city in which the Trustee has its designated corporate trust office.

Capital Assessment means a Capital Assessment Plan required to be delivered by the Company in compliance with the requirements of Section 7.13 of the Loan Agreement.

Capitalized Interest Subaccount means the subaccount of the Bond Fund created pursuant to Article V hereof.

Capital Repair and Replacement Fund means the fund created pursuant to Article V of this Indenture.

Cash on Hand means the sum of cash, cash equivalents, liquid investments, and unrestricted marketable securities (valued at the lower of cost or market value) of the Charter School. Cash on Hand specifically does not include amounts held by the Trustee or the proceeds of any Indebtedness.

CERCLA means the Federal Comprehensive Environmental Response Compensation and Liability Act of 1980 or any other successor federal statutory provision thereof.

Charter Contract/Agreement means the written agreement (or any successor agreement) between the Authorizer and the Charter School required by Section 124E.10, subdivision 1(a) of the Charter School Act, as amended or supplemented from time to time.

Charter School or School means PACT Charter School, a Minnesota nonprofit corporation, formed as a public (charter) school pursuant to Section 124E.06 of the Charter School Act, and its successors or assigns.

Charter School Act means Minnesota Statutes, Chapter 124E, as amended.

Charter School Representative means the person or persons at the time designated to act on behalf of the Charter School by written certificate furnished to the Issuer and the Trustee containing the specimen signatures of such person or persons and signed on behalf of the Charter

School by its Director, Board Chair, or other officer of the Board of Directors. Such certificate may designate an alternate or alternates.

Code means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Tax-Exempt Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

Collateral Assignment means that certain Collateral Assignment of Project Documents, dated as of September 1, 2022, by the Company in favor of the Trustee, whereby all material contracts relating to the acquisition, construction and equipping of the 2022 Project and to all related performance, labor and material bonds have been collaterally assigned to the Trustee.

Company means PCS Building Company, a Minnesota nonprofit corporation, and any successor owner of the School Facilities authorized under the Security Documents.

Company Assets shall have the meaning set forth in the Loan Agreement.

Company Certificate or Company Request means a certificate or request signed by the Company Representative.

Company Documents means the Loan Agreement, the Bond Purchase Agreement, the Lease, the Assignment of Lease, the Mortgage, the Continuing Disclosure Agreement, **[the Intercreditor Agreement,]** the Subordination Agreement, the Disbursing Agreement, the Tax Certificate, the Collateral Assignment, **[the Bank Qualified Fee Agreement]**, and any other document executed by the Company in connection with the issuance of Bonds.

Company Representative means the Chair, Treasurer, or Secretary of the Company or any other officer, official, person or persons at the time designated to act on behalf of the Company by written certificate furnished to the Issuer and the Trustee containing the specimen signatures of such person or persons and signed on behalf of the Company by its Chair, Treasurer, Secretary, or authorized representative. Such certificate may designate an alternate or alternates.

Completion Date means (i) for the Series 2022 Bonds, the date of completion of the 2022 Project, established in accordance with Section 5.8 of the Loan Agreement, and (ii) for any Additional Bonds, the date of completion for the Project financed by such Additional Bonds in an amendment to the Loan Agreement.

Conditional Redemption has the meaning given in Section 3.2(b) hereof.

Continuing Disclosure Agreement or Disclosure Agreement means (i) for the Series 2022 Bonds, the Continuing Disclosure Agreement, dated as of September 1, 2022, between the Company, the Charter School, and the Dissemination Agent, and all amendments thereof and supplements thereto, and (ii) for any Additional Bonds, the continuing disclosure undertaking entered into in connection with the issuance of such Additional Bonds.

Costs of Issuance Fund means the fund created pursuant to Article V of this Indenture.

Counsel means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the Issuer or the Company.

Date of Issuance means the date on which a series of the Bonds is issued. The Date of Issuance for the Series 2022 Bonds is September \_\_, 2022.

Days Cash on Hand means (a) Cash on Hand of the Charter School, as shown on the financial statements for each Fiscal Year divided by (b) the quotient of Operating Expenses, plus principal payments payable during the Fiscal Year as shown on the financial statements of the Charter School for such Fiscal Year, divided by three hundred sixty-five (365).

Depository or DTC means The Depository Trust Company, New York, New York, or its successors and assigns, or such substitute depository institution as shall be designated by the Issuer in accordance with Section 2.11 hereof.

Depository Bank means [**Bank**], a [**Minnesota banking corporation**], and any successor depository bank for the Charter School selected by the Charter School in compliance with the provisions of the Pledge Agreement.

Depository Bonds means Bonds in the form of one certificate for each maturity and governed by Section 2.11 hereof.

Derivative means a financial instrument whose performance is derived, at least in part, from the performance of any underlying asset, including, without limitation, futures, options on securities, options on futures, swap agreements, forward purchase contracts, structured notes, and participations in pools of mortgages or other assets.

Determination of Taxability means receipt by the Trustee or any Beneficial Owner of a written notification of the issuance, prior to the maturity date or redemption of all Outstanding Tax-Exempt Bonds, of a statutory notice of deficiency by the United States Department of the Treasury, Internal Revenue Service, or a decision by a court of competent jurisdiction, holding in effect that interest on any Tax-Exempt Bond is included for federal income tax purposes in the gross income of the Bondholder thereof, which statutory notice or court decision is (a) not contested by the Company in accordance with Section 6.8 of the Loan Agreement; or (b) contested by the Company in accordance with Section 7.8 of the Loan Agreement and resolved adversely to the interests of the Bondholders, or abandoned by, the Company. A change in federal tax law is not a determination of taxability.

Disbursing Agreement means (i) with respect to the Series 2022 Bonds and the Series 2022 Project, the Disbursing Agreement, dated as of September 1, 2022, between the Company, the Charter School, the Trustee, and the Title Insurer, as disbursing agent, as it may be amended or supplemented from time to time, and (ii) with respect to any future issue of Additional Bonds and a future Project, the disbursing agreement entered into in connection with the issuance of such Additional Bonds.

Disposition Proceeds Fund means the fund created pursuant to Article V of this Indenture

Dissemination Agent means U.S. Bank Trust Company, National Association, a national banking association, and its successors and assigns, acting as dissemination agent under the provisions of the Continuing Disclosure Agreement.

Elementary School Campus means the approximately 74,000 square-foot School Facilities located at 7250 East Ramsey Parkway, Ramsey, Minnesota, used as a public charter schoolhouse and to be improved, bettered, and equipped with certain of the proceeds of the Series 2022 Bonds and also including any Improvements thereto in the future which may or may not be funded with proceeds of Additional Bonds.

EMMA means the Electronic Municipal Market Access system established by the Municipal Securities Rulemaking Board (the "MSRB") with the support of the Securities and Exchange Commission, which can be accessed on the date hereof at [www.emma.msrb.org](http://www.emma.msrb.org) or any successor system established by the MSRB.

Environmental Regulations means CERCLA, RCRA, the MERLA, and other similar applicable federal, state or local environmental laws, statutes, regulations, requirements and ordinances.

Event of Default mean with respect to any Event of Default under the Loan Agreement, this Indenture or any other Security Document, any occurrence or event specified and defined by the Loan Agreement, any other Security Document, or by Section 8.1 of this Indenture.

Exempt Organization or Tax-Exempt Organization means a governmental unit, an entity described in Section 501(c)(3) of the Code, or a limited liability company that is a disregarded entity for federal income tax purposes and whose sole member (or, if different, beneficial owner for federal income tax purposes) is an entity described in Section 501(c)(3) of the Code and is disregarded by its sole member for federal income tax purposes.

Expense Fund means the fund created pursuant to Article V of this Indenture.

Favorable Opinion of Bond Counsel means an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is not prohibited by the laws of the State and, with respect to any Tax-Exempt Bonds, will not adversely affect any exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bonds.

Fiscal Year means any period of twelve (12) consecutive months adopted by (a) the Charter School as its fiscal year for financial reporting purposes and initially means the period beginning July 1 of each year and ending on June 30 of the next year, and (b) the Company as its fiscal year for financial reporting purposes and initially means the period beginning July 1 of each year and ending on June 30 of the next year.

General Education Funding means the sum of the Charter School's basic revenue, extended time revenue, gifted and talented revenue, basic skills revenue, training and experience revenue, secondary sparsity revenue, elementary sparsity revenue, transportation sparsity revenue, total operating capital revenue, equity revenue, alternative teacher compensation revenue, and transition revenue as currently identified under Code 01S211 (or any successor code thereto) in the

Minnesota Department of Education State Aids Reports, or any successor provision for general educational funding under State law.

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

Governmental Obligations means direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury) of the United States of America.

Gross Revenues means the same as defined in the Pledge Agreement.

Hazardous Substance means the dangerous, toxic or hazardous pollutants, chemical wastes or substances as defined in CERCLA, RCRA, or MERLA, or any other similar federal, state or local environmental laws, statutes, regulations, requirements and ordinances.

Improvement(s) means any addition, enlargement, betterment, improvement, extension, or alteration of or to the School Facilities as they then exist, and any fixtures, structures or other facilities acquired or constructed by the Company or the Charter School and located on the site of the School Facilities.

Indebtedness means (a) all indebtedness of the obligor for borrowed money incurred or assumed by the obligor, and all purchase money mortgages, installment purchase contracts, leases, guaranties, or other similar instruments in the nature of a borrowing by which the obligor will be unconditionally obligated to pay; (b) the capitalized value of the liability under any lease of real or personal property; and (c) any guaranties of any obligation or indebtedness of another Person.

Indenture means this Indenture of Trust, dated as of September 1, 2022, between the Issuer and the Trustee, pursuant to which the Bonds are authorized to be issued, including any indenture supplemental hereto and any amendments hereof.

Independent Accountant means any 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 Company or the Charter School, as applicable) from time to time selected by the Company or the Charter School, as applicable, and who is not a full-time employee, director or shareholder of the Issuer or the Company or the Charter School.

Independent Architect means a person selected by the Company or School who is a registered architect in the State, and who is not a full-time employee, director or shareholder of the Issuer, Charter School, or the Company.

Independent Consultant means a management consultant, bookkeeper or certified public accountant selected by the Charter School or the Company experienced in the management, operation and/or financing of charter schools in the State.

Independent Counsel means an attorney duly admitted to practice law before the highest court of any state and who is not a full-time employee, director or shareholder of the Issuer, the Company, or the Charter School.

Insurance Consultant means a person or firm not employed full-time by the Company or the Charter School selected by the Charter School or the Company, which is recognized as knowledgeable about insurance for public schools.

**Intercreditor Agreement means the Intercreditor Agreement, dated as of September 1, 2022, between the Charter School, the Trustee, and the Depository Bank, and all amendments thereof and supplements thereto.] [NOTE TO DRAFTER DELETE IF NO LINE OF CREDIT WITH A BANK OR REVISE THE DEFINITION IF AN INTERCREDITOR MAY BE PROPOSED IN THE FUTURE AND IS BEING PREAPPROVED]**

Interest Payment Date means June 1 and December 1 each year, commencing December 1, 2022.

Issuance Costs means costs paid or incurred by or on behalf of the Company in connection with the issuance of the Bonds and the making of the Loan by the Issuer to the Company including, without limitation, the following: payment of financial, legal, accounting and appraisal fees, expenses and disbursements; the Issuer's fees, Rating Agency fees, and expenses attributable to the issuance of the Bonds; the costs of printing, engraving and reproduction services; legal fees and expenses for Bond Counsel, Issuer's counsel, Trustee's counsel, Underwriter's counsel and counsel to the Company and the Charter School; the initial or acceptance fee of the Trustee; and all other fees, charges and expenses incurred in connection with the issuance of the Bonds and the preparation and filing or recording of this Indenture and of any document, including the School Documents, the Company Documents and the Security Documents, relating to the issuance of the Bonds, including any other costs within the meaning of Section 147(g) of the Code.

Issuer means the City of Ramsey, Minnesota, a home rule charter city and political subdivision organized and existing under the Constitution and laws of the State, and any successor to the functions thereof.

Issuer Documents means this Indenture, the Loan Agreement, the Bond Purchase Agreement, **[the Bank Qualified Fee Agreement,]** and any other document executed and delivered by the Issuer in connection with the issuance of a series of Bonds.

Issuer Fee means \$\_\_\_\_\_.

Issuer Indemnified Party or Issuer Indemnified Parties means the Issuer, its past, present, and future governing body members, manager, administrator, executive director, officers, employees, legal counsel, advisors, and agents, individually and collectively.

Issuer Representative means the mayor, manager, administrator, executive director, or clerk of the Issuer and any other officer, official, employee, person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Company and the Trustee containing the specimen signatures of such person or persons and signed on behalf of the Issuer by its duly authorized agent. Such certificate may designate an alternate or alternates.

Issuer's Unassigned Rights means amounts payable to the Issuer under Sections 4.2(b) and 4.3 of the Loan Agreement; right of the Issuer to access the School Facilities under Section 7.2 of the Loan Agreement; rights of the Issuer to inspect the books and records of the Company under Sections 7.2 of the Loan Agreement; indemnification of the Issuer under Section 8.2 of the Loan Agreement; the right of the Issuer to receive notices, reports, opinions, financial statements and the like; the right, where granted to the Issuer, to approve and withhold approval or consent of matters requiring the approval or consent of the Issuer; and payment to the Issuer of all amounts owing to the Issuer under Sections 9.4 and 10.1 of the Loan Agreement.

Late Payment Rate means ten percent (10%) per annum.

Lease means the **[[Lease Agreement], dated as of September 1, 2022, between the Company, as landlord, and the Charter School, as tenant, with respect to the lease of the School Facilities, and any amendment or supplement thereto.]**

Lease Payment(s) or Rent Payment(s) or Lease/Rent Payment(s) means all payments due from the Charter School, as lessee, to the Company, as lessor, pursuant to the Lease.

Letter of Representations means when all the Bonds of a Series are Depository Bonds, any letter of representation of the Issuer with the Depository executed by the Issuer and any amendments thereto or successor agreements between the Issuer and the Depository.

Line of Credit means the revolving line of credit between the Charter School and the Depository Bank as the same may be amended or extended in the future, and any successor line of credit thereto, provided that no revolving line of credit may provide for a maximum amount of credit that exceeds the amount of allowable Short-Term Indebtedness under the Pledge Agreement.

Loan Agreement means the Loan Agreement, dated as of September 1, 2022, between the Issuer and the Company, and any amendments and supplements thereto.

Loan Repayments means the payments required to be made by the Company pursuant to Section 4.2(a) of the Loan Agreement.

Long-Term Indebtedness means all Indebtedness the final maturity of which (taking into account any extensions available at the sole option of the Company or the Charter School, as applicable) is greater than one (1) year after the initial incurrence thereof.

Majority Bondholder(s) means any Bondholder or Bondholders who, in the aggregate, are the beneficial owners of greater than fifty percent (50%) of the Outstanding principal amount of the Bonds; provided that Bonds held by the Company, the Charter School or any affiliate thereof shall be disregarded in making such determination, unless one hundred percent (100%) of the Outstanding Bonds are held by the Company, the Charter School or any affiliate thereof.

MDE means the Minnesota Department of Education, or any successor thereto.

MERLA means the Minnesota Environmental Response and Liability Act or any successor State law thereto.

Monthly Deposit means the monthly deposit into the Capital Repair and Replacement Fund, which shall initially be \$\_\_\_\_\_, commencing \_\_\_\_ 20, 20\_\_\_\_, as such amount may be increased pursuant to the Loan Agreement.

Moody's means Moody's Investors Service, its successors and assigns and, if such corporation shall be subsequently dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company by notice to the Trustee.

Mortgage means the Mortgage, Security Agreement, and Assignment of Rents, dated as of September 1, 2022, between the Company, as mortgagor, and the Trustee, as mortgagee, and all amendments thereof and supplements thereto.

Mortgaged Property shall have the meaning ascribed to such term in the Mortgage.

Net Income Available for Debt Service means, for any period of determination thereof, the aggregate Pledged Revenues of the Charter School for such period minus the total Operating Expenses for such period but excluding from Operating Expenses for purposes of this calculation: (a) interest expense and (b) Lease Payments attributable to principal of and interest on the Bonds and deposits to the Capital Repair and Replacement Fund and the Expense Fund.

Operating Accounts means individually or collectively the bank account or accounts maintained by the Charter School at the Depository Bank from which it pays its operating expenses in the ordinary course, which bank account or accounts shall all be subject to the Account Control Agreement.

Operating Expenses means all fees and expenses incurred in the general operation of the Charter School as determined in accordance with Generally Accepted Accounting Principles, including but not limited to items such as (a) salaries, wages, benefits, payroll taxes, and other expenses for teachers and staff employed by the Charter School; (b) the cost of material and supplies used for current operations of the Charter School; (c) the cost of vehicles owned or leased by the Charter School; (d) the cost of equipment leases and service contracts; (e) taxes upon the operations of the Charter School not otherwise mentioned in the Loan Agreement; (f) Charter School administrative and legal expenses; (g) costs and expenses incurred by the Charter School with respect to the Project Buildings, including maintenance, repair expenses, and utility expenses; (h) miscellaneous operating expenses; (i) advertising costs; (j) interest expense and Lease Payments allocable to interest on any Long-Term Indebtedness of the Charter School; and (k) 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 Charter School; provided however, Operating Expenses shall not include (1) depreciation and amortization expenses; (2) other non-cash expenses; (3) those expenses which are actually paid from any revenues of the Charter School which are not Pledged Revenues; (4) those expenses which are actually paid from any proceeds of Long-Term Indebtedness; and (5) expenditures for capitalized assets.

Original Purchaser means, (i) with respect to the Series 2022 Bonds, the Underwriter, and (ii) with respect to any issuance of Additional Bonds, the original purchaser named in a Supplemental Indenture.

Outstanding means Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Bonds for the payment or redemption of which cash funds or noncallable Governmental Obligations shall have been theretofore deposited with the Trustee in accordance with Article VII hereof; and

(c) Bonds in lieu of which others have been authenticated under Section 2.7, 2.8, or 3.5 hereof.

Payment Date means June 1 of each year, commencing (a) June 1, 20\_\_\_, for the Series 2022A Bonds; and (b) June 1, 20\_\_\_, for the Series 2022B Bonds, and (c) with respect to any Additional Bonds, the date named in any Supplemental Indenture.

Permitted Encumbrances means, as of any particular time, "permitted encumbrances" as defined in the Mortgage.

Permitted Investments means the following investments, if and to the extent the same are legal for investment, with regard to any money held as part of the funds held by the Trustee pursuant to this Indenture:

(a) bills, certificates of indebtedness, notes, bonds, or similar securities which are direct obligations of, or the principal and interest of which are unconditionally guaranteed by, the United States of America;

(b) direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any corporation, if such obligations are in one (1) of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either or both of such rating agencies, any other nationally recognized rating service;

(c) negotiable or non-negotiable certificates of deposit, time deposits, or other similar banking arrangements, issued by any nationally or state-chartered bank (including the Trustee) or trust company or any savings and loan association, domiciled in the State, if either (i) the long-term obligations of such bank or trust company are rated in one (1) of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either or both of such rating services, any other nationally recognized rating service or (ii) the deposits are continuously secured as to principal, but only to the extent not insured by the Federal Deposit Insurance Corporation, or similar corporation chartered by the United States of America, (A) by lodging with a bank or trust company, as collateral security, obligations described in paragraph (a) or (b) above or other marketable securities eligible

as security for the deposit of trust funds under applicable regulations of the Comptroller of the Currency of the United States of America or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (B) if the furnishing of security as provided in clause (A) of this paragraph is not permitted by applicable law, in such manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for the deposit of trust funds;

(d) repurchase agreements with respect to obligations listed in paragraph (a) or paragraph (b) above if entered into with a nationally or state-chartered bank domiciled in the State (including the Trustee), trust company domiciled in the State or a broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) which is a member of the Securities Investors Protection Corporation if (i) such obligations that are the subject of such repurchase agreement are delivered to the Trustee or are supported by a safekeeping receipt issued by a depository, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at current market value, calculated no less frequently than monthly, of not less than the repurchase price, (ii) a prior perfected security interest in the obligations which are the subject of such repurchase agreement has been granted to the Trustee, and (iii) such obligations are free and clear of any adverse third-party claims;

(e) commercial paper maturing in two hundred seventy (270) days or less and rated in the highest rating category by two (2) nationally recognized rating services;

(f) money market mutual funds invested solely in obligations listed in paragraph (a), (b), or (c) above including funds offered or managed by the Trustee or its affiliates;

(g) agreements or contracts for guaranteed investment contracts issued or guaranteed by financial institutions, United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries. The credit quality of the issuer's or guarantor's long-term unsecured debt must be rated in one of the three highest categories by a nationally recognized rating agency;

(h) certificates or receipts issued by any nationally or state-chartered bank, domiciled in the State, trust company domiciled in the State or broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) which is a member of the Securities Investors Protection Corporation, organized and existing under the laws of the United States of America or any state thereof, the outstanding unsecured long-term debt of which is rated in either of the two (2) highest rating categories by S&P or Moody's or, upon the discontinuance of either rating services, in the capacity of custodian, which certificates or receipts evidence ownership of a portion of the principal of or interest on Governmental Obligations held (which may be in book-entry form) by such bank, trust company or broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) as custodian;

(i) tax-exempt obligations (as defined in section 150(a)(6) of the Code and which are not "investment property" as defined in Section 148(b)(2) of the Code) rated at the time of purchase in one of the two (2) highest rating categories by S&P or Moody's or,

upon the discontinuance of either rating service or both of such rating services, any other nationally recognized rating service;

(j) deposits in interest-bearing, time deposits or certificates of deposit or similar arrangements (without regard to whether such deposits or arrangements are insured by the Federal Deposit Insurance Corporation (the "FDIC") of any lead bank of a bank holding company which has at least an "A-1" or "prime-one" rating or their equivalents from S&P or Moody's, or their successors, or certificates of deposit of any national bank if the amount thereof is fully insured by the FDIC;

(k) U.S. dollar denominated deposit accounts, federal funds with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than three hundred sixty (360) days after the date of purchase (ratings on holding companies are not considered as the rating of the bank.); and

(l) any investments which are legal investments under Minnesota Statutes, Chapter 118A.

Plans and Specifications means the plans and specifications for construction and installation of a Project (including the 2022 Project), to be approved by the Company and available for inspection by the Trustee, as the same may be modified from time to time in accordance with provisions of the Loan Agreement.

Pledge Agreement means the Pledge and Covenant Agreement, dated as of September 1, 2022, between the Charter School and the Trustee, and all amendments thereof and supplements thereto.

Pledged Assets shall have the meaning provided in the Pledge Agreement.

Pledged Revenues shall have the meaning provided in the Pledge Agreement.

**[PPP Loan means the unsecured forgivable loan in a principal amount of approximately \$\_\_\_\_\_ with \_\_\_\_\_ under the United States Small Business Administration Payroll Protection Program which the Charter School received on \_\_\_\_\_, 20\_\_\_\_, and any other unsecured forgivable loan under the United States Small Business Administration Payroll Protection Program or similar State or federal relief program.] [NOTE TO DRAFTER, DELETE IF SCHOOL DID NOT RECEIVE ANY PPP FUNDS]**

Principal and Interest Requirements on Long-Term Indebtedness means, for any Fiscal Year, the amount required to pay the interest and principal for Long-Term Indebtedness of the Company and the Charter School in such Fiscal Year, excluding "funded interest" from the proceeds of Indebtedness and, excluding the amount of money actually on deposit in the Reserve Fund as of the date of calculation, to be determined on the assumption that all Bonds will be retired at their stated maturities except for those Bonds or Long-Term Indebtedness which are required by this Indenture to be redeemed prior to their stated maturities from sinking fund payments the Company or the Charter School is required by the Loan Agreement to make for such a purpose,

which Bonds will be assumed to be retired on their respective scheduled mandatory redemption dates.

Prior Bonds means the Issuer's \$10,765,000 Lease Reserve Refunding Bonds (PACT Charter School Project) Series 2013A currently outstanding in the principal amount of \$\_\_\_\_\_.

Prior Bonds Redemption Date means \_\_\_\_\_, 2022.

Prior Note means that certain Promissory Note dated June 30, 2020 by the Company to Propel Nonprofits currently outstanding in the principal amount of \$\_\_\_\_\_.

Prior Obligations means, collectively, the Prior Bonds and the Prior Note.

Prior Trustee means Wells Fargo Bank, National Association.

Project means the 2022 Project and any other project funded with Additional Bonds.

Project Building means, collectively, (a) the improvements, machinery, equipment, and other tangible property on the site of the School Facilities and the Improvements, machinery, equipment, and other tangible property that will be acquired, constructed, installed, and equipped on the site of the School Facilities with proceeds of the Bonds; and (b) any item of machinery, equipment, or other tangible property acquired in substitution for, or as a renewal or replacement of, or a modification or improvement to, any property described in item (a), pursuant to the provisions of Section 4.4 of the Loan Agreement.

Project Costs means all expenses which are properly chargeable to a Project (including the 2022 Project) under Generally Accepted Accounting Principles, or which are incidental to the acquisition, construction, and installation of a Project (including the 2022 Project), or which are otherwise financeable under the Act, including, without limiting the generality of the foregoing:

- (a) all expenses incurred in connection with the acquisition of the School Facilities and other real property, or any interest in real property, necessary for a Project or mortgaging of the site of the School Facilities, including title insurance;
- (b) the expense of preparation of the Plans and Specifications and of all other architectural, engineering, testing, and supervisory services incurred and to be incurred in the planning, construction, and completion of a Project;
- (c) the cost of acquisition and installation of all items of equipment, machinery, or furnishings included in a Project;
- (d) premiums on all insurance relating to construction during the period before completion of a Project, to the extent that such premiums are not paid by a contractor;
- (e) the contract price of all labor, services, materials, supplies, equipment, and remodeling furnished under a construction contract;

- (f) all expenses incurred in seeking to enforce any remedy against a contractor, any subcontractor, or any surety in respect of any default under any construction contract;
- (g) the cost of all other labor, services, materials, supplies, and equipment necessary to complete the acquisition, renovation, construction, expansion, and equipping of a Project;
- (h) all interest accruing on money borrowed by the Company for financing Project Costs during construction and up to six (6) months thereafter;
- (i) all fees and expenses of the Trustee and any paying agent relating to the Bonds that become due before the completion of a Project;
- (j) all advances, payments and expenditures made or to be made by the Issuer, the Trustee, and any other person with respect to any of the foregoing expenses;
- (k) amounts required to repay temporary loans or advances of funds of the Company or the Charter School or their affiliates made after the date which is sixty (60) days prior to the date of the applicable reimbursement resolution in which the Company or its affiliate expressed its intent to incur long-term indebtedness to finance such expenditure or otherwise permitted to be reimbursed under the applicable IRS regulations and guidance; and
- (l) without limitation by the foregoing, all other expenses which under Generally Accepted Accounting Principles constitute necessary capital expenditures for the 2022 Project and are authorized by the Act to be paid from the proceeds of the Bonds.

Rating Agency means S&P or Moody's.

RCRA means the Federal Resource Conservation and Recovery Act of 1976.

Rebate Analyst means the Rebate Analyst described in Article V of this Indenture.

Rebate Fund means the fund created pursuant to Article V of this Indenture.

Record Date means, with respect to any Interest Payment Date (a) in the case of Bonds which are not Depository Bonds, the Trustee's close of business on the 15th day of the calendar month next preceding such Interest Payment Date, regardless of whether such day is a Business Day, (b) in the case of Depository Bonds, the Trustee's close of business on the 15<sup>th</sup> day of the calendar month next preceding such Interest Payment Date, and (c) in the case of Bonds, regardless of whether or not the Bonds are Depository Bonds, if the Interest Payment Date is the 15<sup>th</sup> day of the calendar month, the Trustee's close of business on the 1<sup>st</sup> day of the calendar month next preceding such Interest Payment date, regardless of whether such day is a Business Day.

Refunding Fund means the fund created pursuant to Article V of this Indenture.

Registered Owner means the person in whose name a Bond is registered on the books maintained for the registration of Bonds, initially, Cede & Co. as nominee of DTC or any successor nominee of the Depository.

Released Property means any Mortgaged Property released from the Mortgage pursuant to the provisions of Section 4.5 of the Mortgage and Section 8.5 of the Loan Agreement.

Reserve Fund means the fund created pursuant to Article V of this Indenture.

Reserve Fund Requirement means (i) \$\_\_\_\_\_ with respect to the Series 2022 Bonds and, (ii), with respect to any series of Additional Bonds, the least of (a) ten percent (10%) of the stated principal amount of such Bonds (or ten percent (10%) of the issue price in the event the such Bonds have more than a de minimis amount of original issue discount or premium); (b) the maximum annual debt service with respect to such Bonds; (c) one hundred twenty-five percent (125%) of the average annual debt service on such Bonds; or (d) the amount required by the Original Purchaser with respect to such Additional Bonds.

Responsible Officer means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

Revenue Fund means the fund created pursuant to Article V of this Indenture.

School Documents means the Bond Purchase Agreement, the Lease, the Continuing Disclosure Agreement, the Pledge Agreement, the Account Control Agreement, **[the Intercreditor Agreement,]** the Subordination Agreement, the Disbursing Agreement, the Tax Certificate, **[the Bank Qualified Fee Agreement,]** and any other document executed by the Charter School in connection with the issuance of Bonds.

School Facilities means, collectively, the Elementary School Campus and the Upper School Campus.

Security Agreements or Security Documents means, collectively, this Indenture, the Loan Agreement, the Lease, the Mortgage, the Assignment of Lease, the Intercreditor Agreement, the Account Control Agreement, the Disbursing Agreement, the Collateral Assignment, the Subordination Agreement, and the Pledge Agreement, all as the same may be amended or supplemented from time to time.

Series 2022 Bonds means, together, the Series 2022A Bonds and the Series 2022B Bonds.

Series 2022A Bonds means the Charter School Lease Revenue Refunding Bonds (PACT Charter School Project) Series 2022A, in the original aggregate principal amount of \$\_\_\_\_\_, and issued by the Issuer under and secured by this Indenture.

Series 2022B Bonds means the Taxable Charter School Lease Revenue Refunding Bonds (PACT Charter School Project) Series 2022B, in the original aggregate principal amount of \$\_\_\_\_\_, and issued by the Issuer under and secured by this Indenture.

Short-Term Indebtedness means all Indebtedness the final maturity of which is one (1) year or less after the initial incurrence thereof and which is not renewable at the option of the Company or the Charter School, as applicable, for a term greater than one (1) year or less after the initial incurrence thereof unless, by the terms of such Indebtedness, no such Indebtedness is permitted to be outstanding thereunder for a period of at least twenty (20) consecutive days during each Fiscal Year.

Significant Bondholder means any Bondholder of \$1,000,000 or greater of Outstanding principal amount of the Bonds.

S&P means S&P Global Ratings, its successors, and their assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a municipal securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized municipal securities rating agency designated by the Company (other than Moody's) by notice to the Trustee.

Special Record Date means that date specified by the Trustee for the payment of any defaulted interest.

State means the State of Minnesota.

State Aid Revenues Account or Sweep Account means the State Aid Revenues Account established and maintained pursuant to the Pledge Agreement by the Charter School at the Depository Bank and in which the Trustee has a security interest pursuant to the Account Control Agreement.

Subordination Agreement means the Subordination, Non-Disturbance and Attornment Agreement, dated as of September 1, 2022, between the Trustee, the Company, and the Charter School, and as it may be amended or supplemented from time to time.

Supplemental Indenture means any supplemental indenture which supplements or amends this Indenture.

Taxable Account means the Taxable Account within the Reserve Fund created pursuant to Article V of this Indenture.

Tax Certificate means (i) with respect to the Series 2022 Bonds, the Tax Regulatory Agreement, dated the Date of Issuance, between the Company and the Charter School, and endorsed by the Issuer, as it may be amended from time to time, and (ii) with respect to any series of Additional Bonds, the tax certificate or similar agreement entered into by the Company and the Charter School and the Issuer or endorsed by the Issuer, as applicable, certifying to certain matters in order for Bond Counsel to be able to deliver its tax-exemption opinion letter with respect to any series of Additional Bonds that are Tax-Exempt Bonds.

Tax-Exempt Account means the Tax-Exempt Account within the Reserve Fund created pursuant to Article V of this Indenture.

Tax-Exempt Bonds means the Series 2022A Bonds and any Additional Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes.

Term of the Loan Agreement means the term of the Loan Agreement as specified in Section 11.1 of the Loan Agreement.

Title Insurer means Land Title Inc., a Minnesota corporation, its successors, and assigns.

Trustee means U.S. Bank Trust Company, National Association, a national banking association with a designated corporate trust office in Saint Paul, Minnesota, as trustee under this Indenture, and successors in trust and assigns.

Trust Estate means the property conveyed to the Trustee pursuant to the Granting Clauses of the Indenture.

2022 Project means the same as defined in the recitals of this Indenture.

2022 Project Fund means the fund created pursuant to Article V of this Indenture.

UCC means the Minnesota Uniform Commercial Code, Minnesota Statutes, Chapter 336, as amended, and any successor statute(s) thereto.

Underwriter means Robert W. Baird & Co., Incorporated, the Original Purchaser of the Series 2022 Bonds.

Upper School Campus means the approximately 115,000 square-foot School Facilities to be constructed at 7633 161st Avenue NW, Ramsey, Minnesota, to be used as a public charter schoolhouse and to be acquired, constructed, and equipped with certain of the proceeds of the Series 2022 Bonds and also including any Improvements thereto in the future which may or may not be funded with proceeds of Additional Bonds.

Value means that value, which may be determined by the use of any national pricing service or firm to assist in such determination, and which shall be determined between forty-five (45) and sixty (60) days prior to each Interest Payment Date, of the cash and any investments in the Reserve Fund, which shall be calculated by the Trustee, which may engage the pricing service of any national pricing firm to assist in such determination, as follows: (a) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times), the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination; (b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times, the average bid price at such time of determination for such investments by any two (2) nationally recognized government securities dealers at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; (d) as to cash, the actual amount thereof; and (e) as to any investment not specified above, the cost

thereof, provided, that in determining Value the Trustee does not have any duty to independently value any asset or an obligation other than the price provided by pricing services and sources relied upon by the Trustee.

**SECTION 1.2. Rules of Construction.** The following rules shall apply to the construction of this Indenture unless the context clearly indicates to the contrary:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Indenture. The term "heretofore" means before the date of this Indenture and the term "hereafter" means after the date of this Indenture.

(c) Words importing the redemption or calling for redemption of Bonds shall not be deemed to refer to or connote the payment of Bonds at their stated maturity.

(d) Articles and Sections mentioned by number only are the respective articles and sections of this Indenture so numbered. References to "this Article," "this Section" or "this subsection" shall refer to the particular article, section, or subsection in which such reference appears. All references herein to particular Articles or Sections are references to Articles or Sections of this Indenture.

(e) The headings herein are solely for convenience of reference and shall not constitute a part of this Indenture nor shall they affect its meaning, construction, or effect.

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## ARTICLE II

### THE BONDS; AND THE SERIES 2022 BONDS

**SECTION 2.1. Authorized Amount of the Bonds; All Bonds Equally and Ratably Secured.** No Bonds may be issued under this Indenture except in accordance with this Article. The aggregate principal amount of the Series 2022A Bonds that may be issued under this Indenture is \$\_\_\_\_\_, and the aggregate principal amount of the Series 2022B Bonds that may be issued under this Indenture is \$\_\_\_\_\_.

Except as hereinafter provided, all Bonds issued under this Indenture and at any time Outstanding shall in all respects be equally and ratably secured hereby, without preference, priority or distinction on account of the date or dates or the actual time or times of the issue or maturity of the Bonds, so that all Bonds at any time issued and Outstanding hereunder shall have the same right, lien and preference under and by virtue of this Indenture, and shall all be equally and ratably secured hereby.

#### **SECTION 2.2. Issuance of Bonds and Series 2022 Bonds.**

(a) The Bonds shall be dated as of the date of initial authentication and delivery thereof. The Bonds shall bear interest on the basis of a 360-day year composed of twelve (12) thirty (30) day months, from their date until payment of principal has been made or provided for, payable on each Interest Payment Date, except that Bonds that are delivered upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Date of Issuance.

(b) The Series 2022 Bonds shall be designated "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022A" and "Taxable Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022B," respectively. The Series 2022 Bonds shall be issuable only in fully registered form in minimum denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof. Unless the Issuer shall otherwise direct, the fully registered Series 2022A Bonds and Series 2022B Bonds shall each be numbered consecutively from R-1 upward.

(c) The Series 2022 Bonds shall be dated as of their date of original issuance and shall be authenticated initially as of their date of original issuance and thereafter as of the Interest Payment Date next preceding the date of issue (pursuant to Section 2.4 hereof), exchange or transfer, unless the date of such issuance, exchange or transfer is an Interest Payment Date, in which case the date of authentication shall be that Interest Payment Date. If payments of the interest on the Series 2022 Bonds shall be in default, Series 2022 Bonds issued in exchange for Series 2022 Bonds surrendered for transfer or exchange shall be authenticated as of the date to which interest has been paid in full on the Series 2022 Bonds surrendered or, if no interest has been paid on the Series 2022 Bonds, the date of the first authentication and delivery of Series 2022 Bonds hereunder.

(d) The Series 2022 Bonds shall bear interest from their dated date, payable semiannually on each Interest Payment Date; provided that during the occurrence and continuance

of an Event of Default, the Series 2022 Bonds shall bear interest at the Late Payment Rate and, from and after a Determination of Taxability, the Series 2022A Bonds shall bear interest at the Series 2022A Taxable Rate.

(e) The Series 2022A Bonds mature in the years and bear interest at the rates set forth in the table below.

**Series 2022A Bonds**

<b>Maturity Date (June 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>
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(f) The Series 2022B Bonds mature in the years and bear interest at the rates set forth below.

**Series 2022B Bonds**

<b>Maturity Date (June 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>
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(g) The principal of and premium, if any, on the Series 2022 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Trustee in Saint Paul, Minnesota, or of its successor in trust, or at the duly designated office of any paying agents. Payment of interest on any Bond shall be made to such person as is the Registered Owner thereof on the Record Date or the Special Record Date, as the case may be, and shall be paid by check or draft mailed to such person as is the Registered Owner on the Record Date or the Special Record Date, as the case may be, at the Registered Owner's address as it appears on the registration books of the Issuer. Interest shall also be payable by wire transfer to an account in a domestic financial institution designated in writing to the Trustee on or before the appropriate record date, upon request by, and at the expense of, a Registered Owner of at least \$1,000,000 in initial aggregate principal amount of the Series 2022 Bonds.

(h) The Trustee is hereby designated and agrees to act as Bond Registrar and paying agent for and in respect to the Bonds, including the Series 2022 Bonds. The Issuer hereby agrees

to cooperate with the Trustee and the Company, when requested and at the Company's expense, in designating any additional paying agents and in making available funds hereunder for the payment of such of the Bonds as shall be presented when due at the principal office(s) of such additional paying agent(s).

**SECTION 2.3. Execution; Special, Limited Obligations.** The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signatures of the officers of the Issuer designated to sign the Bonds in a resolution of the Issuer, under the official seal, or a facsimile thereof, of the Issuer. Any facsimile signature shall have the same force and effect as if said officers had manually signed the Bonds. Any reproduction of the official seal of the Issuer on the Bonds shall have the same force and effect as if the official seal of the Issuer had been impressed on the Bonds, and the seal may be omitted as authorized by law.

In case any officer of the Issuer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the authentication by the Trustee and delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery; and any Bond may be signed on behalf of the Issuer by such persons as, at the time of execution of such Bond, shall be the proper officers of the Issuer, even though at the date of such Bond or of the execution and delivery of this Indenture any such person was not such officer.

THE BONDS AND THE INTEREST THEREON ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE EXCLUSIVELY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF OR A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER AND THE BONDS ARE NOT SECURED BY A PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE ISSUER, THE COUNTY, THE STATE, OR OF ANY POLITICAL SUBDIVISION THEREOF.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS AGAINST ANY PAST, PRESENT, OR FUTURE GOVERNING BODY MEMBERS, MANAGER, ADMINISTRATOR, EXECUTIVE DIRECTOR, OFFICERS, EMPLOYEES, LEGAL COUNSEL, ADVISORS, AND AGENTS OF THE ISSUER, OR OF ANY SUCCESSOR TO THE ISSUER, AS SUCH, EITHER DIRECTLY OR THROUGH THE ISSUER OR ANY SUCCESSOR TO THE ISSUER, 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 GOVERNING BODY MEMBERS, MANAGER, ADMINISTRATOR, EXECUTIVE DIRECTOR, OFFICERS, EMPLOYEES, LEGAL COUNSEL, ADVISORS, AND AGENTS, AS SUCH, IS HEREBY EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND CONSIDERATION FOR THE EXECUTION AND ISSUANCE OF THE BONDS.

**SECTION 2.4. Authentication.** No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until a certificate of authentication on such Bond shall have been duly executed by the Trustee, which, with respect to the Series 2022A Bond and Series 2022B Bond shall be substantially in the forms set forth on

EXHIBIT A and EXHIBIT B, respectively, attached hereto, with appropriate variations, omissions, and insertions as permitted or required by this Indenture, and such executed certificate of authentication of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered, and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer execute the certificate of authentication on all of the Bonds.

**SECTION 2.5. Form of Bonds.** Subject to the provisions of Section 2.4 hereof, the Series 2022A Bonds and the Series 2022B Bonds shall be in substantially the forms set forth in the attached EXHIBIT A and EXHIBIT B, respectively.

**SECTION 2.6. Delivery of Bonds.** Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee and the Trustee shall authenticate and deliver to the Original Purchaser (i) the Series 2022A Bonds in the aggregate principal amount of \$\_\_\_\_\_ and (ii) the Series 2022B Bonds in the aggregate principal amount of \$\_\_\_\_\_, as hereinafter in this Section provided.

Prior to the delivery by the Trustee of the Series 2022 Bonds there shall be filed with the Trustee:

- (a) [Intentionally omitted.]
- (b) A copy, duly certified by the Issuer Representative (or other authorized representative of the Issuer), of the resolution adopted by the governing body of the Issuer on June 14, 2022 (the "Resolution"), authorizing the issuance of the Series 2022 Bonds and the execution and delivery of this Indenture, the Loan Agreement, and the Bond Purchase Agreement.
- (c) Original executed counterparts of each of the Issuer Documents, the School Documents, the Company Documents and any Security Documents.
- (d) A request and authorization to the Trustee on behalf of the Issuer and signed by the official(s) specified in the Resolution, to authenticate and deliver the Series 2022A Bonds in the original aggregate principal amount of \$\_\_\_\_\_ and the Series 2022B Bonds in the original aggregate principal amount of \$\_\_\_\_\_, upon payment to the Trustee, for the account of the Issuer, of a sum specified in such request and authorization.
- (e) An executed opinion of Bond Counsel, to the effect that the Series 2022 Bonds have been authorized, issued, and delivered and that the interest on the Series 2022A Bonds is excludable from the gross income of the Holders for federal income tax purposes, and, to the same extent, is excludable from the net taxable income of Holders who are individuals, estates, and trusts for State income tax purposes, subject to customary exceptions.
- (f) Such other documents as Bond Counsel, the Trustee, or the Original Purchaser may reasonably request and provide to the Trustee with directions to hold as a repository.

**SECTION 2.7. Mutilated, Lost, Stolen or Destroyed Bonds.** In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate a new Bond of like series, date, interest rate, maturity and denomination to the mutilated, lost, stolen or destroyed Bond, provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there first shall be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with an indemnity satisfactory to the Trustee. In the event any such Bond (except a mutilated Bond) shall have matured, instead of issuing a duplicate Bond, the Trustee, on behalf of the Issuer, may pay the same without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond. The Trustee may charge the Bondholder of such Bond with its reasonable fees and expenses for such service.

Every substitute Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, mutilated, stolen, destroyed, or improperly canceled shall constitute an additional contractual obligation of the Issuer, whether or not the lost, destroyed or improperly canceled Bond shall be at any time enforceable, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder. All Bonds shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing provisions are exclusive with respect to the replacement or payment of lost, mutilated, stolen, destroyed or improperly canceled Bonds, notwithstanding any law or statute now existing or hereafter enacted.

**SECTION 2.8. Registration, Transfer and Exchange of the Bonds; Persons Treated as Bondholders.** The Trustee is hereby constituted and appointed the Bond Registrar of the Issuer and shall keep for and on behalf of the Issuer books for the registration and for the transfer of the Bonds as provided in this Indenture. The principal of any Bond shall be payable only to or upon the order of the Registered Owner or its legal representative. Upon surrender for transfer of any Bond at the designated corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or its attorney duly authorized in writing, the Issuer shall execute, and the Trustee shall authenticate, date, and deliver in the name of the transferee or transferees a new Bond or Bonds for a like aggregate principal amount.

Bonds may be exchanged at the designated corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series, date, interest rate and maturity. The Issuer shall execute, and the Trustee shall authenticate and deliver Bonds which the Registered Owner making the exchange is entitled to receive, bearing numbers not contemporaneously then outstanding. The execution by the Issuer of any Bond of any denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

In each case, the Trustee shall require the payment by the Registered Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and of any other expenses necessarily incurred in connection with such transfer.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal or interest on any Bond shall be made only to or upon the written order of the Registered Owner thereof or its legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

**SECTION 2.9. Cancellation of Bonds.** Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment of the principal amount or interest represented thereby, or for replacement pursuant to Section 2.7 hereof or for transfer pursuant to Section 2.8 hereof, such Bond shall be promptly canceled by the Trustee.

**SECTION 2.10. Temporary Bonds.** Until Bonds in definitive form are ready for delivery, the Issuer may execute, and upon the request of the Issuer, the Trustee shall authenticate and deliver, subject to the provisions, limitations and conditions set forth above, one or more Bonds in temporary form, whether printed, typewritten, lithographed or otherwise produced, substantially in the form of the definitive Bonds, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Trustee, and the Trustee shall authenticate and deliver, in exchange therefor, a definitive Bond or definitive Bonds. Such exchange shall be made by the Trustee without making any charge therefor to the registered owner of such Bond in temporary form. Such temporary bonds will be numbered consecutively upward from T-1.

**SECTION 2.11. Book-Entry Provisions.**

(a) Notwithstanding the other provisions of this Indenture regarding registration, ownership, transfer, payment and exchange of the Bonds, unless the Issuer determines to permit the exchange of Depository Bonds for Bonds in the denominations provided in Section 2.2(b) hereof, the Bonds shall be issued as Depository Bonds in denominations of the entire principal amount of a particular maturity of each series of Bonds (or if a portion of said principal amount is prepaid, said principal amount less the prepayment amount); such Bonds to be registered in the name of the Depository or its nominee. The Bonds shall be solely in the denomination of the entire principal amount of a particular maturity except as provided in this Section. So long as the Bonds are held by DTC as Depository, the Trustee shall comply with the provisions of the Letter of Representations between the Issuer and DTC. So long as the Bonds are Depository Bonds, the Issuer and the Trustee shall be entitled to treat the Depository or its nominee as the absolute owner of the Bonds for all purposes of this Indenture, and neither the Issuer nor the Trustee shall have any responsibility or obligation to any beneficial owner of the Bonds. Without limiting the immediately preceding sentence, so long as the Bonds are Depository Bonds, neither the Issuer nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of any Depository with respect to any ownership interest in the Bonds; (ii) the delivery to any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption or refunding; (iii) any consent given by the Depository as Registered Owner of the Bonds; (iv) the selection of the particular Bonds or portions thereof to be redeemed or refunded in the event of a partial redemption or refunding of part of the Bonds Outstanding; or (v)

the payment to any person, other than the Depository, of any amount with respect to the principal of, redemption premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Depository or its nominee, the Trustee may recognize demands, requests, directions, consents, objections, approvals, waivers, votes or other actions or instruments (collectively, "Bondholder Actions") by or on behalf of Beneficial Owners as if such Bondholder Actions were made by the Registered Owners of a related portion of the Bonds when such Bondholder Actions are received in compliance with an omnibus proxy of the Depository or otherwise pursuant to the rules of the Depository or when other proof of beneficial ownership and indemnification satisfactory to the Trustee is delivered to the Trustee by such Beneficial Owners.

(b) Upon (i) a determination by the Company that the Depository is no longer able to carry out its functions or is otherwise determined unsatisfactory by the Company in its sole discretion, or (ii) a determination by the Depository that the Bonds are no longer eligible for its depository services, or (iii) a notification that the Depository has resigned or discontinued its services for the Bonds, the Issuer, at the direction of the Company, shall either (A) designate a substitute depository in accordance with this Section, or (B) provide for the exchange of Depository Bonds for Bonds in the denominations provided in Section 2.2(a) hereof.

(c) If directed by the Company to do so, at the expense of the Company, the Issuer shall provide for the exchange of Depository Bonds for certificated Bonds in the denominations provided in Section 2.2(a) hereof, the Issuer shall so notify the Trustee and shall provide the Trustee with a supply of executed unauthenticated Bonds to be so exchanged. The Trustee shall thereupon notify the Owners of the Bonds and provide for such exchange.

(d) Any substitute depository shall be a "clearing corporation" as defined in the Minnesota Uniform Commercial Code, Minnesota Statutes, Section 336.8-102, and shall be a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended. The substitute depository shall provide for (i) immobilization of the Depository Bonds; (ii) registration and transfer of beneficial ownership of interests in the Depository Bonds by book entries made on records of the Depository and participating entities; and (iii) payment of principal of, premium, if any, and interest to the Depository participating entities.

(e) So long as the Bonds are Depository Bonds, the following provisions shall apply, notwithstanding anything to the contrary in this Indenture. The principal or redemption price of the Bonds shall be payable by the Trustee when due by wire transfer in same day funds, and if the payment is of only part of the principal hereof, the Depository or its nominee, as Registered Owner, shall upon such payment make an appropriate notation on the Bond certificate as to the amount of such partial redemption, or the Depository or its nominee, as Registered Owner, may at its option surrender the Bond for exchange for a Bond registered with the new principal amount and provided that the Bonds shall be surrendered for payment upon redemption in full or at maturity. Interest is payable by wire transfer in same day funds from the Trustee to the Depository or its nominee, as Registered Owner. The transfer permitted pursuant to Section 2.8 hereof shall occur only with respect to Bonds of a minimum denomination of the remaining principal amount of an entire maturity thereof so long as the Bonds are Depository Bonds. Depository Bonds are not exchangeable for fully registered bonds of smaller denominations except to evidence a partial

prepayment or in exchange for replacement Bonds if then available. Otherwise, the Depository or its nominee, as Registered Owner, may surrender the Bond to the Trustee and the Issuer shall execute (if necessary) and the Trustee shall authenticate and deliver to the Depository or its nominee, as Registered Owner of such Bond, a new Bond having the same stated maturity and interest rate and of the authorized denomination in aggregate principal amount equal to the unredeemed portion of the principal of the Bond so surrendered.

**SECTION 2.12. Additional Bonds.** The Issuer or another municipality authorized by the Act (the "Alternate Issuer"), at the request of the Company, is authorized to issue Additional Bonds secured and payable on a parity basis with the Bonds provided that, prior to the issuance of any such Additional Bonds, the following terms and conditions have been met:

(a) the Trustee has received a copy, duly certified on behalf of the Issuer or the Alternate Issuer, of the resolution adopted by the Issuer or the Alternate Issuer authorizing the issuance of such Additional Bonds and the execution and delivery of: (i) a supplemental indenture, supplementing and amending this Indenture, which supplemental indenture shall not require the approval of any Registered Owner of the Bonds, providing the date, interest rates and maturities of such Additional Bonds, options and requirements for redemption prior to maturity with respect to such Additional Bonds, deposit of proceeds to the various funds and accounts, and such other terms as may be required by reason of the foregoing and which adopts the applicable provisions of this Indenture; (ii) an amendment supplementing and amending the Loan Agreement; (iii) an amendment supplementing and amending the Mortgage; and (iv) an amendment to the Lease and each Issuer Document, Security Document, Company Document, or School Document as applicable or a new lease pursuant to which the Charter School is obligated to make additional Lease Payments sufficient to pay the principal and interest due with respect to such Additional Bonds and any related costs or expenses; and (v) such other documents as are necessary or appropriate in connection with the issuance, sale, and delivery of such Additional Bonds;

(b) the Trustee has either (i) received (A) an opinion, report, or certificate of an Independent Accountant or Independent Consultant (such as the Charter School's Independent third party business manager) selected by the Charter School to the effect that the Charter School's Net Income Available for Debt Service for the Fiscal Year immediately preceding the date on which such Additional Bonds are to be issued for which audited financial statements are available, totals at least 120% of maximum Principal and Interest Requirements on existing Long-Term Indebtedness of the Charter School (excluding such requirements for the proposed Additional Bonds but including such requirements for any Indebtedness of the Charter School to be refinanced thereby) payable in any Fiscal Year, and (B) a certificate of the Charter School Representative, verified by an Independent Accountant or Independent Consultant (such as the Charter School's Independent third party business manager) selected by the Company, to the effect that Net Income Available for Debt Service for the next Fiscal Year beginning after the Fiscal Year in which any improvements being financed by such proposed Additional Bonds are to be placed in service, or, if no improvements are to be financed thereby, beginning with the first Fiscal Year after the Fiscal Year in which the proposed Additional Bonds are to be issued, will be at least 125% of the maximum Principal and Interest Requirements on Long-

Term Indebtedness of the Charter School (including such requirements for the proposed Additional Bonds but excluding such requirements for any then outstanding Long-Term Indebtedness of the Charter School or Bonds to be refinanced by the proposed Additional Bonds) for each Fiscal Year beginning with the second Fiscal Year after the Fiscal Year in which any improvements being financed by such proposed Additional Bonds are to be placed in service, or, if no improvements are to be financed thereby, beginning with the first Fiscal Year after the Fiscal Year in which the proposed Additional Bonds are to be issued, but before the final stated maturity of all then Outstanding Bonds; or (ii) received the prior written consent of the Majority Bondholder(s) to the issuance of such Additional Bonds;

(c) the Trustee has received a certificate of the Company Representative to the effect that there is no Event of Default then existing under the Loan Agreement, the Mortgage, the Assignment of Lease, or this Indenture;

(d) the Trustee has received a certificate of the Charter School Representative to the effect that no Event of Default has occurred and is continuing under the Account Control Agreement, the Lease, or the Pledge Agreement;

(e) the Trustee has received an opinion of Bond Counsel to the effect that the issuance of such Additional Bonds will not cause interest on any Outstanding Tax-Exempt Bonds to become included in gross income for federal income tax purposes;

(f) the Trustee has received an opinion from the Counsel to the Company in form and substance acceptable to Bond Counsel and the Underwriter, as original purchaser, the sufficiency of which shall be deemed to be met by the delivery of the opinion of Bond Counsel under subsection (e) above;

(g) the Trustee has received executed counterparts of the agreements supplementing and amending the Issuer Documents, the School Documents, and the Security Documents, as applicable;

(h) the Trustee has received a request and authorization to the Trustee on behalf of the Issuer or Alternate Issuer and signed by its Issuer Representatives or Alternate Issuer representative to authenticate and deliver such Additional Bonds to the purchasers therein identified, upon payment to the Trustee, but for the account of the Issuer or the Alternate Issuer, of a sum specified in such request and authorization, plus accrued interest thereon, if any, to the date of delivery; and

(i) the Trustee has received an executed opinion of Bond Counsel to the effect that (i) the Additional Bonds have been duly authorized, executed, and delivered, and constitute the binding special, limited obligations of the Issuer or the Alternate Issuer, enforceable in accordance with their terms, subject to normal bankruptcy exceptions, and (ii) if such Additional Bonds are issued as Tax-Exempt Bonds, the interest on such Additional Bonds is not includable in gross income for federal income tax purposes.

## ARTICLE III

### REDEMPTION OF BONDS BEFORE MATURITY

#### SECTION 3.1. Redemption Dates and Prices.

(a) Optional Redemption.

*Series 2022A Bonds.* The Series 2022A Bonds are subject to redemption by the Issuer at the option of the Company on June 1, 2032 and any Business Day thereafter, in whole or in part on any date, at the redemption price equal to the principal amount to be redeemed plus accrued interest to the date of redemption.

*Series 2022B Bonds.* The Series 2022B Bonds are not subject to optional redemption prior to maturity.

Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. If only a portion of the Bonds are redeemed, such Bonds to be redeemed shall be selected from maturities designated by the Company. If less than all of one (1) maturity is to be redeemed, Bonds of such maturity shall be selected randomly by lot in such manner determined by the Trustee.

(b) Extraordinary Redemption. The Bonds shall be subject to redemption at any time upon the occurrence of any of the following events: (i) the School Facilities or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 6.2(b) of the Loan Agreement is applicable; (ii) any of the events specified in Section 10.2 of the Loan Agreement have occurred and upon the Company's exercising its option to prepay the loan pursuant to Section 10.1 of the Loan Agreement; or (iii) upon acceleration because of an Event of Default. If called for redemption at any time pursuant to clause (i) or (ii) above, the Bonds shall be subject to redemption by the Issuer prior to maturity at any time in whole or (in the case of redemption pursuant to Section 6.2(b) of the Loan Agreement) in part, in such manner as the Company may direct, less than all of such Bonds of a single maturity to be selected randomly in such manner as the Trustee may determine, such redemption to be at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date.

(c) Redemption upon Determination of Taxability. The Series 2022 Bonds shall be redeemed upon a Determination of Taxability, in whole but not in part, within thirty (30) days after the date of the Determination of Taxability and at a redemption price equal to one hundred three percent (103%) of the principal amount of the Series 2022A Bonds, plus accrued interest to the redemption date, and one hundred percent (100%) of the Series 2022B Bonds, plus accrued interest to the redemption date.

(d) Mandatory Sinking Fund Redemption. The Series 2022 Bonds are subject to mandatory sinking fund redemption prior to maturity, and are to be redeemed randomly by lot in such other manner as the Trustee may determine, at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on the following dates and in the following principal amounts:

**Series 2022A Bonds Maturing June 1, 20**

Payment Date (June 1)	Principal Amount	Payment Date (June 1)	Principal Amount
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\* *Maturity*

**Series 2022B Bonds Maturing June 1, 20**

Payment Date (June 1)	Principal Amount	Payment Date (June 1)	Principal Amount
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\*

\* *Maturity*

As and for a sinking fund for the redemption of the Bonds there shall be deposited into the Bond Fund, a sum sufficient to redeem (after credit as provided below) the applicable principal amount of the Bonds on the applicable dates at the redemption price stated above; provided that the Trustee shall not be required to call Bonds for redemption during the occurrence and continuance of an Event of Default.

At the option of the Company, to be exercised by delivery of a written certificate to the Trustee (which may be delivered by Electronic Means in accordance with Section 9.1(t) hereof) not less than forty-five (45) days next proceeding any sinking fund redemption date, the Company may (i) deliver to the Trustee for cancellation Bonds in an aggregate principal amount desired by the Company; or (ii) specify a principal amount of Bonds which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and

any excess shall be so credited against future sinking fund redemption obligations on such Bonds in chronological order. In the event the Company shall avail itself of the provisions of clause (i) of the first sentence of this paragraph, the certificate required by the first sentence of this paragraph shall be accompanied by the Bonds to be canceled.

**SECTION 3.2. Notice of Redemption.**

(a) With respect to a notice of redemption under sections 3.1(a),(b), or (c), notice of the call for any redemption, identifying the Bonds or portions thereof to be redeemed, shall be given to the Trustee at least twenty-five (25) days prior to the date fixed for redemption (or such shorter time as may be agreed upon by the Trustee) and given by the Trustee by mailing a copy of the redemption notice by first-class mail at least twenty (20) days and not more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bond with respect to which no such failure has occurred; and provided also that no such notice, with respect to a redemption pursuant to Section 3.1(a) or (b) hereof, shall be mailed unless (i) such notice is a Conditional Redemption (as defined in subsection (b) below), or (ii) the Trustee has sufficient money and/or Governmental Obligations on deposit, which may be evidenced by the report of an Independent Accountant or other qualified professional, (or has received evidence that an escrow bank has sufficient money and/or Governmental Obligations on deposit) to pay the principal of, premium, if any, and interest on the Bonds being so redeemed. The notice of redemption shall set forth the complete title of the issue (including series designation), CUSIP number, the date of the issue, maturity, the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed, and the place or places of redemption, including the name, address and phone number of a contact person. The Trustee shall provide a notice of redemption with respect to a mandatory sinking fund redemption under Section 3.1(d)

(b) In the case of an optional redemption pursuant to Section 3.1(a), or (b) hereof, the notice may state (i) that it is conditioned upon the deposit of money, in an amount equal to the redemption price of the Bonds to be redeemed and prepaid, with the Trustee on or before the redemption date or (ii) that the Company retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded as hereinafter described. On or before the redemption date, funds sufficient to redeem such Bonds, including accrued interest thereon to the redemption date, shall be deposited with the Trustee. The Bonds thus called shall not, on or after the specified redemption date, bear any interest and, except for the purpose of payment, shall not be entitled to the lien of this Indenture. Any Conditional Redemption may be rescinded in whole, not in part, at any time on or before the redemption date if the Company delivers a certificate of the Company to the Issuer and the Trustee at least five (5) days prior to the redemption date instructing the Trustee to rescind the redemption notice. A certificate of the Company delivered by the Company to the Issuer and the Trustee less than five (5) days prior to the redemption date will have no force and effect and will not rescind any Conditional Redemption. The Trustee shall give prompt notice of any properly tendered notice

of rescission to the affected Registered Owners. Any Bonds subject to Conditional Redemption where redemption has been rescinded within the timeframe provided above shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Company to make available funds sufficient to redeem all of the Bonds so called for redemption on or before the redemption date shall not constitute an Event of Default, and the Trustee shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption remain Outstanding. Any extraordinary costs incurred by the Trustee in connection with a rescission of a redemption shall be paid by the Company.

(c) The Trustee also shall provide a copy of such notice in an electronic format as prescribed by the Municipal Securities Rulemaking Board (the "MSRB"), together with such identifying information as is prescribed by the MSRB at least twenty (20) days and not more than forty-five (45) days prior to such redemption date; provided, however, that such notice shall not be a condition precedent to such redemption and failure to provide any such notice shall not affect the validity of any proceedings for the redemption of Bonds.

(d) Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondholder or Registered Owner receives such notice.

**SECTION 3.3. Redemption Payments.** On or prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is hereby authorized and directed to apply such funds to the payment of, the Bonds or portions thereof called, together with accrued interest thereon to the redemption date and any required premium. Upon the giving of notice and the deposit of funds for redemption, interest on the Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption, and such Bonds or portions thereof shall no longer be deemed to be Outstanding.

**SECTION 3.4. Cancellation.** All Bonds which have been redeemed shall not be reissued but shall be canceled by the Trustee in accordance with Section 2.9 hereof.

**SECTION 3.5. Partial Redemption of Bonds.** Upon surrender of any Bond for redemption in part only, the Issuer shall execute, and the Trustee shall authenticate and deliver to the owner thereof a new Bond or Bonds of the same series, date, interest rate, and maturity, of authorized denominations, in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered. In the event of any partial redemption, the Trustee shall provide, at the Company's request and expense, a new debt service schedule for the Bonds to the Company.

**SECTION 3.6. Nonpresentment of the Bonds.** In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if funds sufficient to pay any such Bond shall have been made available for the benefit of the Registered Owner(s) thereof, all liability of the Issuer to the Registered Owner(s) thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner(s) of such Bond who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on its part under this Indenture or on, or with respect to, such Bond.

Subject to state laws applicable to unclaimed property, any money which the Trustee shall segregate and hold in trust for the payment of the principal of, premium, if any, or interest on any Bond and remaining unclaimed for two (2) years after such principal, premium, if any, or interest has become due and payable shall be paid to the Company; provided, however, that before the Trustee shall be required to make any such repayment, the Trustee shall, at the written direction and at the expense of the Company, cause notice to be given by registered mail to the Registered Owner(s) of all Bonds not presented for payment when the principal thereof became due to the effect that such money remains unclaimed and that, after a date specified therein, which shall not be less than thirty (30) days from the date of such mailing, any unclaimed balance of such money then remaining will be paid to the Company. After the payment of such unclaimed money to the Company, the Registered Owner(s) and the Bondholder(s) of such Bond shall thereafter look only to the Company for the payment thereof, and all liability of the Issuer and the Trustee with respect to such money shall thereupon cease.

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## ARTICLE IV

### GENERAL COVENANTS

**SECTION 4.1. Payment of Principal, Premium, if Any, and Interest.** The Issuer covenants that it will promptly pay or cause to be paid the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, but solely from the Trust Estate, including amounts paid upon an Event of Default and pursuant to action taken under the Mortgage. The principal of, premium, if any, and interest on the Bonds (except to the extent paid out of money attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to proceeds from insurance and condemnation awards) are payable solely from the amounts to be paid under the Loan Agreement and otherwise as provided herein and in the Loan Agreement and, under the Mortgage, pursuant to its terms, and the amounts under the Loan Agreement are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Issuer. Neither the State nor the Issuer nor any other political subdivision of the State shall in any event be liable for the payment of the principal of, premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Issuer except to the extent money pledged herein is sufficient therefor.

**SECTION 4.2. Performance of Covenants; Issuer.** The Issuer covenants that it will faithfully perform or cause to be performed at all times any and all covenants, undertakings, stipulations, and provisions contained in this Indenture and in the Loan Agreement, in any and every Bond executed, authenticated, and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State to execute this Indenture, to assign the Loan Agreement and to pledge the amounts to be paid under the Loan Agreement and other amounts hereby pledged in the manner and to the extent herein set forth and that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken.

**SECTION 4.3. Instruments of Further Assurance.** The Issuer will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers required for the better assuring, transferring, conveying, pledging, assigning, and confirming unto the Trustee all and singular the amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer, except as herein and in the Loan Agreement and the Mortgage provided, will not sell, convey, mortgage, encumber or otherwise dispose of any part of the School Facilities, the amounts, revenues and receipts payable under the Loan Agreement or its rights under the Loan Agreement.

**SECTION 4.4. Recording and Filing.**

(a) The Company has covenanted in the Loan Agreement to cause all financing statements (but excluding the initial financing statements dated as of the date of issue which will be filed by the Title Insurer) related to this Indenture and all supplements thereto and the Loan

Agreement and all supplements thereto, as well as the Mortgage and such other security agreements, financing statements and all supplements thereto and other instruments, including continuation statements, that are recommended from time to time by counsel to the Company or by Bond Counsel, or required by the Trustee (acting at the advice of Counsel) to be kept, to be recorded and filed in such manner and in such places as may from time to time be required by law in order to preserve and protect fully the security of the Bondholders of the Bonds and the rights of the Trustee hereunder, and to take or cause to be taken any and all other action necessary to perfect the security interest created by this Indenture. At the direction and expense of the Company, the Trustee will cooperate with the Company in effecting such recordings and filings.

(b) Notwithstanding the foregoing, without further direction from the Company or the Charter School, at the expense of the Company, the Trustee shall file continuation statements on the fifth anniversary of the Date of Issuance, with respect to all UCC financing statements filed in connection with the original issuance of the Series 2022 Bonds, and on every fifth anniversary of such date as long as any Bonds are Outstanding. Unless the Trustee shall have been notified in writing by the Company or Bond Counsel that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (i) relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section 4.4; and (ii) filing any continuation statements in the same filing offices as the initial filings were made. The Trustee shall cause to be filed a continuation statement with respect to each UCC financing statement relating to the Bonds which was filed at the time of the issuance thereof, in such manner and in such places as the initial filings were made, provided that a copy of the filed original financing statement is timely delivered to the Trustee. The Company shall be responsible for the costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder.

**SECTION 4.5. Inspection of Books.** All books and records in the Issuer's possession relating to the School Facilities and the amounts derived from the School Facilities shall at all reasonable times be open to inspection by such accountants or other agents as the Trustee or Majority Bondholder(s) may from time to time designate in writing.

**SECTION 4.6. Rights Under Loan Agreement.** The Loan Agreement, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Company, including provisions that subsequent to the issuance of Bonds and prior to their payment in full or provision for the payment thereof having been made in accordance with the provisions hereof, and except as otherwise expressly provided in the Loan Agreement and in Article XI of this Indenture, the Loan Agreement may not be effectively amended, changed, modified, altered, or terminated without the written consent of the Trustee, and reference is hereby made to the Loan Agreement for a detailed statement of said covenants and obligations of the Company thereunder, and the Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Loan Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

**SECTION 4.7. Designation of Trustee as Bond Registrar and Paying Agent; Designation of Any Additional Paying Agents.** The Trustee is hereby designated and agrees to act as Bond Registrar and paying agent for and in respect to the Bonds. The Issuer hereby agrees

to cooperate with the Trustee and the Company, when requested, and at the Company's expense, in designating any additional paying agents and in making available funds hereunder in payment of such of the Bonds as shall be presented when due at the principal office(s) of said additional paying agent(s).

**SECTION 4.8. Determination of Taxability.**

(a) At such time as the Trustee receives written notification of a Determination of Taxability, the Trustee shall notify the Company and the Issuer thereof by certified mail, return receipt requested, postage prepaid and shall file such notification with EMMA.

(b) In the event the Trustee receives written notice from the Company that it is electing to contest a potential Determination of Taxability pursuant to Section 7.8 of the Loan Agreement, the Trustee shall promptly notify the Issuer, EMMA and all Registered Owners of such election.

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**ARTICLE V**

**REVENUES AND FUNDS**

**SECTION 5.1. Application of Proceeds; Source of Payment of Series 2022 Bonds.**

(a) The Trustee shall apply the proceeds from the initial sale of the Series 2022A Bonds in the amount of \$\_\_\_\_\_ (par amount of \$\_\_\_\_\_, less Underwriter's discount of \$\_\_\_\_\_) and the proceeds from the initial sale of the Series 2022B Bonds in the amount of \$\_\_\_\_\_ (par amount of \$\_\_\_\_\_, less Underwriter's discount of \$\_\_\_\_\_) as follows:

(i) to the Tax-Exempt Account of the Reserve Fund, an amount equal to \$\_\_\_\_\_ from the proceeds of the Series 2022A Bonds;

(ii) to the Taxable Account of the Reserve Fund, an amount equal to \$\_\_\_\_\_ from the proceeds of the Series 2022B Bonds;

(iii) to the Costs of Issuance Fund, an amount equal to \$\_\_\_\_\_ from the proceeds of the Series 2022A Bonds and \$\_\_\_\_\_ from the proceeds of the Series 2022B Bonds;

(iv) to the 2022 Project Fund, an amount equal to \$\_\_\_\_\_ from the proceeds of the Series 2022A Bonds;

(v) to the Capitalized Interest Subaccount, an amount equal to \$\_\_\_\_\_, including \$\_\_\_\_\_ from the proceeds of the Series 2022A Bonds and \$\_\_\_\_\_ from the proceeds of the Series 2022B Bonds; and

(vi) to the Refunding Fund, an amount equal to \$\_\_\_\_\_ from the proceeds of the Series 2022A Bonds.

(b) The Bonds herein authorized and all payments by the Issuer hereunder are not general obligations of the Issuer but are special, limited obligations payable solely from amounts derived from the Trust Estate and, upon an Event of Default and to the extent set forth therein, from the Mortgage, pursuant to the terms thereof.

**SECTION 5.2. Creation and Operation of the Revenue Fund.** There is hereby created and established with the Trustee a trust fund to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Revenue Fund."

The Company will cause the Charter School to deposit when due all rent payments due under the Lease directly to the Trustee for deposit in the Revenue Fund. To assure the full and timely deposit of such rent payments, the Depository Bank has been directed to transfer scheduled amounts from the State Aid Revenues Account to the Trustee for deposit in the Revenue Fund the amounts payable by the Charter School under the Lease on the fifth day of each month, commencing \_\_\_\_\_ 5, 20\_\_\_\_. Any earnings realized from investments in the Revenue Fund shall be credited to the Revenue Fund.

As and when received each month, the Trustee shall apply any funds from the Revenue Fund in the following priority:

- (a) first, (i) to the Bond Fund, an amount sufficient, after giving effect to transfers from the Capitalized Interest Subaccount in accordance with Section 5.3(b) hereof, to cause the total amount then deposited in the Bond Fund to equal the monthly payment required under Section 4.2(a) of the Loan Agreement and, on a pro rata basis; and (ii) to any lender on any parity Long-Term Indebtedness permitted pursuant to Section 7.3(C)(II) of the Pledge Agreement, an amount equal to the monthly payment required on such parity Long-Term Indebtedness, which amount shall be based solely on the written direction of the Company Representative, upon which the Trustee may conclusively rely without independent investigation;
- (b) second, into the Rebate Fund, rebate deposits described in the Tax Certificate;
- (c) third, into the Tax-Exempt Account and the Taxable Account of the Reserve Fund, an aggregate amount equal to that required pursuant to Section 4.2(d) of the Loan Agreement and Section 5.11 hereof;
- (d) fourth, into the Capital Repair and Replacement Fund, the Monthly Deposit;
- (e) fifth, to the Trustee, the amount necessary for payment of the Trustee's fees and expenses for services rendered hereunder;
- (f) sixth, into the Expense Fund, the monthly cost of any other expenses required to be paid by the Company pursuant to the Lease or any other Company Document as directed by the Company;
- (g) seventh, to the Capital Repair and Replacement Fund, any amounts remaining in the Revenue Fund.

The Revenue Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw funds from the Revenue Fund to pay the amounts set forth in this Section 5.2, which authorization and direction the Trustee hereby accepts.

**SECTION 5.3. Creation and Operation of Bond Fund.**

(a) *Bond Fund.* There is hereby created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Bond Fund" which shall be used to pay when due the principal of, premium, if any, and interest on the Bonds.

There shall be deposited into the Bond Fund, as and when received: (a) all transfers from the Revenue Fund pursuant to Section 5.2(a) above; (b) amounts transferred from the Reserve Fund pursuant to Section 5.5 below; (c) amounts transferred from the 2022 Project Fund for the redemption of Bonds pursuant to Section 5.4 below; (d) amounts transferred from the Capitalized

Interest Subaccount pursuant to Section 5.3(b) below; (e) amounts transferred from the Capital Repair and Replacement Fund pursuant to Section 5.10 below; and (f) all other money received by the Trustee under and pursuant to any of the provisions of the Loan Agreement, Lease, Pledge Agreement, Indenture, or Mortgage which are required to be deposited into the Bond Fund or which are accompanied by written directions that such money is to be deposited to the Bond Fund. The Issuer hereby covenants and agrees that so long as any of the Bonds issued hereunder are Outstanding it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, sufficient sums, but only from the amounts derived from the Loan Agreement, promptly to pay when due the principal of, premium, if any, and interest on the Bonds as the same become due and payable. Any earnings realized from investments in the Bond Fund shall be credited to the Bond Fund.

Except as provided in Section 5.3(b) below, money in the Bond Fund shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds, and the Company has no right, title, and interest in amounts on deposit in the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

(b) *Creation of Capitalized Interest Subaccount of the Bond Fund.* There is hereby created by the Issuer and established with the Trustee a subaccount in the Bond Fund to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Capitalized Interest Subaccount" which shall be used to pay the interest on the Bonds during the period of construction of the 2022 Project, if applicable. On the Date of Issuance of the Series 2022 Bonds, the Trustee shall deposit to the Capitalized Interest Subaccount the amounts stated in Section 3.1(e) of the Loan Agreement and in Section 5.1(a)(v) above.

The Capitalized Interest Subaccount shall be in the custody of the Trustee, but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Capitalized Interest Subaccount for the purposes set forth in this Section 5.3(b), and to transfer earnings to the Bond Fund, in accordance with this Section 5.3(b), which authorization and direction the Trustee hereby accepts.

Amounts on hand in the Capitalized Interest Subaccount shall be transferred by the Trustee to the Bond Fund to be used, with other funds as necessary, to pay interest due on the Bonds on the Payment Dates and in the amounts set forth below:

<b>Payment Date</b>	<b>Series 2022A Bonds</b>	<b>Series 2022B Bonds</b>	<b>Total</b>
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Any earnings realized from investments in the Capitalized Interest Subaccount shall be credited to the Bond Fund.

**SECTION 5.4. Creation and Operation of the 2022 Project Fund.** There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Project Fund."

On the Date of Issuance of the Series 2022 Bonds, the Trustee shall deposit to the 2022 Project Fund the amount stated in Section 3.1(d) of the Loan Agreement and in Section 5.1(a)(iv) hereof, and thereafter any money received by the Trustee that is accompanied by written notice that such money is for payment of Project Costs shall be credited to the 2022 Project Fund.

Amounts on hand in the 2022 Project Fund shall be held by the Trustee in trust and, subject to the provisions of this section, shall be applied to the payment of Project Costs, and, pending such application, shall be subject to a lien and charge in favor of the Bondholders of the Bonds. All disbursements from the 2022 Project Fund shall be made in accordance with, and subject to the provisions and restrictions set forth in Section 5.6 of the Loan Agreement and the Disbursing Agreement in the form of the 2022 Project Fund Requisition attached as EXHIBIT C to this Indenture. All Company certificates, orders, and requests and other documents received by the Trustee, as required by the Loan Agreement and the Disbursing Agreement as conditions precedent to the payment from the 2022 Project Fund, may be relied upon by the Trustee, and shall be retained by the Trustee, subject at all reasonable times to examination by the Issuer, the Company, and the Trustee (acting at the direction of the Majority Bondholder(s)).

When the Trustee has received the materials necessary to establish the Completion Date of the 2022 Project in accordance with Section 5.8 of the Loan Agreement and as evidenced by the Company filing with the Trustee Completion Certificates in the form attached hereto as EXHIBIT F for each of the Elementary School Campus and the Upper School Campus, any money remaining in the 2022 Project Fund shall be disbursed or transferred in accordance with the provisions of Section 5.8(b) of the Loan Agreement, so long as no Event of Default shall have occurred and be continuing. If the Trustee has accelerated the Series 2022 Bonds in accordance with Section 8.2 of this Indenture and has accelerated the Loan Repayments in accordance with the provisions of Section 9.2 of the Loan Agreement, the Trustee may transfer any amounts remaining in the 2022 Project Fund to the Bond Fund to be applied in accordance with the provisions of Article VIII of this Indenture.

All income derived from the investment of amounts in the 2022 Project Fund, after payment of any unpaid Trustee's fees and expenses, shall be credited to the 2022 Project Fund until the Completion Date, and thereafter, if any, to the Bond Fund.

On the Completion Date, after payment of Project Costs relating thereto and any unpaid Trustee's fees and expenses, any balance remaining in the 2022 Project Fund shall be transferred to the Bond Fund and held in a separate and special subaccount to be used by the Trustee, without the need for direction by the Issuer or the Company, for the redemption of Series 2022 Bonds on the first date on which the Series 2022 Bonds are redeemable in accordance with their terms at par or, to the extent permitted without affecting the exemption of interest on the Series 2022A Bonds, according to an opinion of Bond Counsel, to pay installments of interest or to pay the principal of Bonds at their stated maturity. The Company acknowledges that any amounts so transferred to the Bond Fund are required to be invested at a yield not to exceed the yield on the Tax-Exempt Bonds unless the Company receives an Opinion of Bond Counsel that investment at an unrestricted yield

will not adversely affect the exemption from federal income taxation of interest on any Tax-Exempt Bonds and such amounts shall be used by the Trustee to redeem as many Series 2022 Bonds as can be redeemed from such amount.

The 2022 Project Fund shall be in the custody of the Trustee, but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the 2022 Project Fund for the purposes set forth in this Section 5.4 hereof and pursuant to Section 5.7 of the Loan Agreement and the Disbursing Agreement, which authorization and direction the Trustee hereby accepts.

**SECTION 5.5. Creation and Operation of the Reserve Fund.** [TO BE DISCUSSED] There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Reserve Fund" and therein, the "Tax-Exempt Account" and the "Taxable Account."

On the Date of Issuance of the Series 2022 Bonds, the Trustee shall deposit to the Reserve Fund an amount equal to the Reserve Fund Requirement as provided in Section 3.1(a) and (b) of the Loan Agreement and Section 5.1(a)(i) and (ii) hereof. Thereafter, the Trustee shall deposit in the Reserve Fund the amounts transferred from the Revenue Fund pursuant to Section 5.2 hereof and any other money paid to the Trustee under the Loan Agreement or this Indenture and required by either of those documents to be or accompanied by written directions requesting that such money be, credited or transferred to the Reserve Fund.

The Reserve Fund Requirement was funded in part with the proceeds of the Series 2022A Bonds in the amount of \$\_\_\_\_\_, plus any interest earned thereon, plus any amounts deposited by the Company in the Tax-Exempt Account of the Reserve Fund to satisfy a deficiency in the Reserve Fund. Such amounts on deposit in the Tax-Exempt Account of the Reserve Fund shall be transferred by the Trustee to the Bond Fund, as needed, if, on any Interest Payment Date, the amount then on hand in the Bond Fund is not sufficient to pay the principal and interest then due on the Series 2022A Bonds, whether at maturity or upon redemption or by acceleration. Such amounts, plus any interest earned thereon, may not be applied to the payment of the principal of or interest on the Series 2022B Bonds in the event of any deficiency in the Bond Fund for the payment thereof.

Up to \$\_\_\_\_\_ (the amount of the Reserve Fund Requirement initially funded with the proceeds of the Series 2022B Bonds) on deposit in the Taxable Account of the Reserve Fund, plus any interest earned thereon, plus any amounts deposited by the Company in the Taxable Account of the Reserve Fund to satisfy a deficiency in the Reserve Fund to the extent such amounts do not consist of the proceeds of Tax-Exempt Bonds, shall be transferred by the Trustee to the Bond Fund, as needed, if, on any Interest Payment Date, the amount then on hand in the Bond Fund is not sufficient to pay the principal and interest then due on the Series 2022B Bonds, whether at maturity or upon redemption or by acceleration.

Sums in the Reserve Fund not used to cure any deficit in the Bond Fund for payment of the principal and interest due on the Series 2022A Bonds as provided above or for payment of the principal and interest due on the Series 2022B Bonds as provided above shall be held in the

Reserve Fund in trust to be applied toward (i) payment of the final principal of the Bonds or toward redemption of Outstanding Bonds when all Bonds are to be redeemed, subject to the limitations set forth above as to the portion of the Reserve Fund that may be applied to payment of the principal of and interest on the Series 2022B Bonds; (ii) for the purposes set forth in Section 8.2 hereof; or (iii) if necessary under the terms of Section 5.8 hereof, for transfer to the Rebate Fund.

Any earnings realized from investments in the Reserve Fund shall be credited to the Reserve Fund until the amount therein is equal to the Reserve Fund Requirement, then to the Bond Fund. The Value of the cash and the Permitted Investments in the Reserve Fund shall be determined on each June 1 and December 1 (each a "Valuation Date"), by the Trustee, which may engage the pricing service of any national pricing firm to assist in such determination. The Trustee does not have any duty to independently value any asset or an obligation other than the price provided by pricing services and sources relied upon by the Trustee. If on any Valuation Date, the amount credited to any account of the Reserve Fund is less than ninety-five percent (95%) of the Reserve Fund Requirement with respect to such account as a result of a decline in the market value of investments credited to such account, the Company will deposit to the Reserve Fund, the amount necessary to restore the amount on deposit in such account of the Reserve Fund to an amount equal to the Reserve Fund Requirement with respect to such account within 30 days following the date on which the Company receives notice of such deficiency. If at any time the amount credited to any account of the Reserve Fund is less than one hundred percent (100%) of the Reserve Fund Requirement for such account as a result of amounts in such account of the Reserve Fund having been transferred to the Bond Fund to pay debt service on any series of Bonds, the Company will transfer to such account of the Reserve Fund the amount necessary to restore the amount on deposit in such account to an amount equal to the Reserve Requirement for such account in not more than **twelve (12)** substantially equal monthly installments beginning with the first Business Day of the month after the month in which such transfer occurred. The Company has no right, title, or interest in amounts on deposit in the Reserve Fund.

The Reserve Fund shall be in the custody of the Trustee but in the name of the Issuer and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Reserve Fund to pay the principal of and interest on the Bonds as set forth in this Section 5.5, for the purposes set forth in Section 8.2 hereof, or to make transfers to the Rebate Fund, and to transfer earnings or valuation surplus on the Reserve Fund to the Bond Fund, in accordance with this Section 5.5, which authorization and direction the Trustee hereby accepts. In accordance with the requirements of Section 5.16, no security held in the Reserve Fund as a Permitted Investment shall have a final maturity date of more than five (5) years.

**SECTION 5.6. Creation and Operation of the Costs of Issuance Fund.** There is hereby created by the Issuer and ordered established with the Trustee a trust fund to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Costs of Issuance Fund" which shall be used to pay the Issuance Costs incurred in connection with the issuance of the Bonds.

On the Date of Issuance of the Series 2022 Bonds, there shall be deposited into the Costs of Issuance Fund proceeds of the Series 2022 Bonds in the amounts set forth in Section 3.1(c) of the Loan Agreement and in Section 5.1(a)(iii) hereof. Interest and other income received on investments of Costs of Issuance Fund money shall be transferred to the Bond Fund. Such money

shall be expended to pay Issuance Costs in accordance with the provisions of Section 4.10 of the Loan Agreement. The Trustee is hereby authorized and directed to issue electronic transfers or its checks on the Costs of Issuance Fund for each payment in accordance with Section 4.10 of the Loan Agreement. Any earnings realized from investments in the Costs of Issuance Fund shall be transferred to the Bond Fund.

The Trustee shall keep and maintain accurate records pertaining to the Costs of Issuance Fund and all payments therefrom, which shall be open to inspection by the Issuer, the Company, or their duly authorized agents, upon reasonable notice, during normal business hours of the Trustee. After the Costs of Issuance Fund has been entirely depleted or on the date provided below in this Section 5.6, whichever is earlier, the Trustee shall file a statement of income and disbursements with respect thereto with the Company.

The Costs of Issuance Fund shall be in the custody of the Trustee but in the name of the Issuer and the Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Costs of Issuance Fund for the purposes set forth in this Section 5.6, which authorization and direction the Trustee hereby accepts. Except as provided in this Section 5.6, on March \_\_, 2023, any money remaining in the Costs of Issuance Fund shall be transferred to the 2022 Project Fund or, in the event the Completion Date has occurred and amounts in the 2022 Project Fund have been transferred to the Bond Fund, any money remaining in the Costs of Issuance Fund shall be transferred to the Bond Fund and applied to the same purposes as the amounts transferred from the 2022 Project Fund.

**SECTION 5.7. Custody of Net Proceeds Fund if Necessary.** The Trustee is authorized and directed to hold all Net Proceeds from any insurance proceeds or condemnation awards in excess of two percent (2%) of the total Project Costs as determined by the Company in a separate trust fund and to disburse such proceeds in accordance with Section 6.2 of the Loan Agreement. If the Company directs that any portion of such Net Proceeds be applied to redeem Bonds, the Issuer covenants and agrees to take and cause to be taken the necessary steps to redeem on the next succeeding redemption date the amount of Bonds so specified by the Company.

**SECTION 5.8. Creation and Operation of the Rebate Fund.** There is hereby created and established with the Trustee a separate trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Rebate Fund" which shall be expended by the Trustee in accordance with the provisions hereof and the written instructions of the Company or the Rebate Analyst given pursuant to the provisions of the Tax Certificate. The Company shall engage or, if the Company fails to so engage, the Trustee shall engage, at the Company's expense, a Rebate Analyst to make the calculations, with respect to the Rebate Fund, and the Trustee shall make information regarding the Bonds and investments hereunder available to the Company and the Charter School, shall make deposits and disbursements at the written direction of the Rebate Analyst, shall invest the Rebate Fund at the Company's direction and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the written instructions of the Company or the Rebate Analyst given pursuant to the Tax Certificate. The Trustee shall be deemed conclusively to have complied with the provisions of the Tax Certificate if it follows the written directions of the Company or the Rebate Analyst and shall have no liability or responsibility to enforce compliance by the Company or the Charter School with the terms of the Tax Certificate or any other tax

covenants contained herein. The Tax Certificate may be superseded or amended by an amendment to the Tax Certificate drafted by and accompanied by an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the use of said new amended Tax Certificate will not cause the interest on the Tax-Exempt Bonds to be includable in the gross income of any recipient thereof for purposes of federal income taxation. The Company shall post a notice of any new Tax Certificate to EMMA, and the Trustee shall provide a copy thereof to any Bondholder who requests a copy.

The Trustee shall make the rebate deposits (but only from amounts in the funds and accounts held by the Trustee hereunder, beginning with the Reserve Fund, and then only if amounts are not contributed by the Company within thirty (30) days' notice that such deposits are required), as directed in writing by the Rebate Analyst given pursuant to the provisions of the Tax Certificate. If the Trustee is directed in writing by the Rebate Analyst to make a withdrawal from the Rebate Fund as a result of the computations performed by the Rebate Analyst required by the Tax Certificate that determine that such amount is in excess of amounts needed to make any rebate payments to the United States of America as provided in the following paragraph, the amount withdrawn shall be deposited in the Bond Fund. Records of the determinations required by this Section shall be retained by the Trustee until six (6) years after the final retirement of the Tax-Exempt Bonds. The Trustee shall be deemed conclusively to have complied with the provisions of the Tax Certificate if it follows the written directions of the Company or the Rebate Analyst and shall have no liability or responsibility to enforce compliance by the Company or the Charter School with the terms of the Tax Certificate or any other tax covenants contained herein.

No later than sixty (60) days after the end of the fifth Bond Year for each series of Tax-Exempt Bonds Outstanding and every five (5) years thereafter, the Trustee shall pay to the United States of America (but only from funds provided pursuant to the Loan Agreement and this Indenture) the amount, if any, directed in writing by the Rebate Analyst. Not later than sixty (60) days after the final retirement of a series of Tax-Exempt Bonds, the Trustee shall pay to the United States of America (but only from funds provided pursuant to the Loan Agreement and the Indenture) one hundred percent (100%) or, if less, the amount directed in writing by the Rebate Analyst, of the balance remaining in the Rebate Fund. Each payment required to be paid to the United States of America pursuant to this Section shall be filed with the appropriate Internal Revenue Service Center. Each payment shall be accompanied by Internal Revenue Service Form 8038-T (or successor form), as prepared by the Rebate Analyst, as required by the Code, and, if directed in writing by the Rebate Analyst, a statement (as prepared by the Rebate Analyst) summarizing the determination of the amount to be paid to the United States of America.

**SECTION 5.9. Trustee's and Issuer's Responsibility with Respect to the Rebate Fund.** Notwithstanding anything to the contrary contained herein, in the Loan Agreement, or in the Tax Certificate, the Trustee and the Issuer shall have no responsibility for making any determinations as to the amount to be deposited to or withdrawn from the Rebate Fund or the amount required to be rebated to the United States. The Trustee's sole responsibility with respect to all matters relating to rebate shall be to follow the written instructions of the Rebate Analyst or the Company and to make payments pursuant to Sections 5.8 hereof as and when instructed in writing to do so by the Rebate Analyst or the Company.

**SECTION 5.10. Creation and Operation of the Capital Repair and Replacement Fund.** There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Capital Repair and Replacement Fund." All Monthly Deposits received by the Trustee from the Company and all amounts set forth as provided in Section 5.2 hereof shall be credited to the Capital Repair and Replacement Fund.

Amounts deposited in the Capital Repair and Replacement Fund shall be applied by the Trustee, not more than once each month and so long as no Event of Default shall have occurred and be continuing hereunder, as requested in a written request of the Company for the payment or reimbursement of items of repair, improvement, additions to, betterment of and replacement with respect to the School Facilities which constitute capital expenditures under Generally Accepted Accounting Principles or which otherwise constitute major periodic repair, capital improvement to or maintenance of the School Facilities (including the acquisition of land and payment of architects, engineers, and other professionals), such as annual painting or re-carpeting of a section of the School Facilities (as opposed to incidental repairs such as touch-up painting, replacement of individual carpet tiles, etc.). The Company request shall identify the expenditures to be made by nature and amount, shall identify the contractor or other party making the repairs, improvements, and replacements, and shall certify that the expenditures are proper expenditures to be made or reimbursed from the Capital Repair and Replacement Fund. Investment earnings on amounts held in the Capital Repair and Replacement Fund shall remain in, and be credited as received to, the Capital Repair and Replacement Fund. The Trustee may conclusively rely on requests submitted in accordance with this Section as complete authorization for the disbursements made pursuant thereto and shall not be responsible for any representations or certifications made thereon or for any use of funds disbursed in accordance with this Section.

Amounts on hand in the Capital Repair and Replacement Fund, if any, may be transferred by the Trustee to the Bond Fund, as needed if, on any Interest Payment Date, the amount then on hand in the Bond Fund, after application of any available amounts in the Reserve Fund, is not sufficient to pay the principal and interest then due on the Bonds, whether at maturity or upon redemption or by acceleration.

The Capital Repair and Replacement Fund shall be in the custody of the Trustee, but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw funds from the Capital Repair and Replacement Fund for the purposes set forth in this Section 5.10, which authorization and direction the Trustee hereby accepts.

Amounts, if any, remaining in the Capital Repair and Replacement Fund upon the payment in full of all Bonds, or the provision for payment therefor in accordance with the terms of this Indenture, shall be transferred to the Company.

**SECTION 5.11. Creation and Operation of the Expense Fund.** There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Expense Fund."

Amounts deposited in the Expense Fund shall be applied by the Trustee to pay (a) the monthly cost of any other expenses (including legal, accounting and other required fees) required to be paid by the Company pursuant to the Lease or any other Company Document, at the written direction of the Company substantially in the form attached hereto as EXHIBIT E; and (b) the Company's reasonable operating and administrative expenses that are attributable to, or the portions thereof that are reasonably allocable to, the 2022 Project or the operation of the 2022 Project through the construction period (which may also include capital projects relating to the School Facilities that are eligible to be funded from the Capital Repair and Replacement Fund), that are then due and payable, at the written direction of the Company substantially in the form attached hereto as EXHIBIT E. The Trustee may conclusively rely on the Company's written directions submitted in accordance with this Section 5.11 as complete authorization for the disbursements made pursuant thereto and shall not be responsible to make any investigation into any representations or certifications made thereon or for any use of funds disbursed in accordance with this Section. Amounts may also be deposited to the Expense Fund from the Capital Repair and Replacement Fund in the event that the amount on deposit in the Expense Fund is not sufficient to make the required payments as directed in writing by the Company. Investment earnings on amounts held in the Expense Fund shall be credited as received to the Revenue Fund.

The Expense Fund shall be in the custody of the Trustee, but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw funds from the Expense Fund for the purposes set forth in this Section 5.11 hereof, which authorization and direction the Trustee hereby accepts.

**SECTION 5.12. Creation and Operation of the Refunding Fund.** There is hereby created by the Issuer and established with the Trustee a trust fund in the name of the Issuer to be designated "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Refunding Fund" which shall be used to refund the Prior Obligations on the Prior Bonds Redemption Date.

On the Date of Issuance for the Series 2022 Bonds, the Trustee shall deposit to the Refunding Fund the amount set forth in Section 3.1 of the Loan Agreement and in Section 5.1(a)(vi) hereof. Thereafter, the Trustee shall deposit in the Refunding Fund any additional amounts received by the Trustee from the Company to ensure that the Prior Obligations are redeemed and prepaid on the Prior Bonds Redemption Date.

Amounts deposited pursuant to Section 5.1(a)(vi) hereof and any other money paid to the Trustee under the Loan Agreement or this Indenture and required by either of those documents to be, or accompanied by written directions requesting that such money be, credited or transferred to the Refunding Fund shall be deposited therein. All money deposited in the Refunding Fund shall be held uninvested. The money in the Refunding Fund shall be transferred to the Prior Trustee and the holder of the Prior Note, respectively, on the Date of Issuance to be applied to the redemption and prepayment of the Prior Obligations, respectively, on the Prior Bonds Redemption Date.

Any amounts remaining in the Refunding Fund after the Prior Bonds Redemption Date shall be transferred to the Bond Fund and applied to payment of principal of the Series 2022 Bonds. The Trustee is hereby authorized and directed to make each disbursement required by the

provisions of this Section and to issue its checks therefor. The Trustee shall keep and maintain accurate records pertaining to the Refunding Fund and all disbursements therefrom, showing the amounts paid and the purpose for which the obligations were paid. For purposes of complying with the requirements of this Section, the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon the written request of the Company, which may be submitted by Electronic Means in accordance with Section 9.1(t) hereof. The Trustee shall not be bound to make an investigation into the facts or matters stated in any written request of the Company.

Notwithstanding the foregoing, upon the occurrence of any Event of Default, whether or not any Bonds are accelerated, the Trustee shall withdraw amounts from the Refunding Fund or the Costs of Issuance Fund to the extent necessary to pay principal, interest or redemption price on any Bond which is due and payable and for which other amounts held by the Trustee are not sufficient therefor.

**SECTION 5.13. Creation and Operation of the Disposition Proceeds Fund.** There is hereby created and established with the Trustee a trust fund in the name of the Issuer to be designated the "Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022 Disposition Proceeds Fund." If the Charter School requests that the Company sell a portion of the Mortgaged Property pursuant to Section 8.5 of the Loan Agreement, the Trustee shall deposit the proceeds of the sale of the Released Property to the Disposition Proceeds Fund.

Amounts on hand in the Disposition Proceeds Fund shall be held by the Trustee in trust and, subject to the provisions of this section, shall be expended within two years of the sale of the Released Property for capital costs of the 2022 Project, additional improvements to the School Facilities or to redeem a portion of the Series 2022A Bonds; provided that during the occurrence and continuance of an Event of Default, money in the Disposition Proceeds Fund may only be used to redeem a portion of the Series 2022A Bonds.

Prior to the Completion Date of the 2022 Project, all disbursements from the Disposition Proceeds Fund shall be made in accordance with, and subject to the provisions and restrictions set forth in, Sections 5.7 and 8.5 of the Loan Agreement and the Disbursing Agreement. On or after the Completion Date, disbursements from the Disposition Proceeds Fund shall be made by the Trustee following receipt of a Company Certificate requesting funds from the Disposition Proceeds Fund for capital costs of the 2022 Project, additional improvements to the School Facilities or to redeem a portion of the Series 2022A Bonds; provided that during the occurrence and continuance of an Event of Default, the Trustee shall not follow any direction of the Company relating to the Disposition Proceeds Fund that is inconsistent with the preceding paragraph of this Section.

If the Trustee has accelerated the Series 2022 Bonds in accordance with Section 8.2 hereof and has accelerated the Loan Repayments in accordance with the provisions of Section 10.2 of the Loan Agreement, the Trustee shall immediately transfer any amounts remaining in the Disposition Proceeds Fund to the Bond Fund to be applied in accordance with the provisions of Article VIII hereof. All income derived from the investment of amounts in the Disposition Proceeds Fund, after payment of any unpaid Trustee's fees and expenses, shall be credited to the Disposition Proceeds Fund. The Company acknowledges that any amounts remaining in the Disposition

Proceeds Fund after two years of the date the Released Property was sold are required to be invested at a yield not to exceed the yield on the Tax-Exempt Bonds.

The Disposition Proceeds Fund shall be in the custody of the Trustee, but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw funds from the Disposition Proceeds Fund for the purposes set forth in this Section 5.13 hereof, which authorization and direction the Trustee hereby accepts.

**SECTION 5.14. Money to be Held in Trust.** All money required to be deposited with or paid to the Trustee under any provision of this Indenture, except for money in the Rebate Fund, shall be held by the Trustee in trust for the purposes specified in this Indenture, and shall, while held by the Trustee, and subject to certain provisions of this Indenture, constitute part of the Trust Estate and be subject to the lien hereof. In the event of any act of bankruptcy: (i) amounts on deposit in any of the funds are not, nor shall they be deemed to be, property of the bankruptcy estate of the Company as defined by 11 U.S.C. Section 541; (ii) in no event shall the Company assert, claim or contend that amounts on deposit in any of the funds are property of the bankruptcy estate of the Company; and (iii) amounts on deposit in any of the funds are held in trust solely for the Bondholders and the Beneficial Owners, shall be applied only in accordance with the provisions of this Indenture, and the Company has no legal, equitable nor reversionary interest in, or right to, such amounts. The Issuer shall not create any lien upon any funds created pursuant to this Indenture other than the lien hereby created.

**SECTION 5.15. Repayment to Company from Funds.** Any amounts remaining in the funds held in trust hereunder after payment in full of the principal of, premium, if any, and interest on the Bonds, the fees, charges and expenses of the Trustee, and all other amounts required to be paid hereunder and under the Loan Agreement shall be paid promptly to the Company unless specifically stated otherwise in this Indenture.

**SECTION 5.16. Investment of Money.** Any money held as part of the funds held by the Trustee pursuant to this Indenture shall be invested and reinvested by the Trustee at the written direction of the Company Representative in Permitted Investments, and in the case of securities held as Permitted Investments with maturities of not more than five (5) years, in accordance with the provisions of Section 3.2 of the Loan Agreement, except during the occurrence and continuance of an Event of Default, and except that investments in the Rebate Fund shall be made only in accordance with written directions of the Company or the Rebate Analyst.

The Trustee may conclusively rely upon the written investment direction of the Company Representative, the Company, or the Rebate Analyst, as appropriate, as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments and comply with the provisions of this Indenture, the Loan Agreement, and the Tax Certificate. If the Trustee is not provided with written investment directions it shall hold such funds uninvested. Any such investments shall be held in the name of the Trustee and by or under the control of the Trustee. The Trustee may make any and all such investments through its trust department or related companies. The Trustee shall sell and reduce to cash a sufficient amount of such investments in the trust funds whenever the cash balance in any such fund is insufficient for a necessary transfer. The Issuer covenants and certifies to the Trustee and to and for the benefit of the Bondholders of the Bonds from time to

time Outstanding that so long as any of the Tax-Exempt Bonds remain Outstanding, it will not knowingly take any action so that money on deposit in any fund or account in connection with the Tax-Exempt Bonds, whether or not such money was derived from the proceeds of the sale of the Tax-Exempt Bonds or from any other sources, will be used in a manner which, to its knowledge, will cause any of the Tax-Exempt Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to such covenants, the Issuer obligates itself to comply, to the best of its knowledge, throughout the term of the Tax-Exempt Bonds, with the requirements of Section 148 of the Code and any regulations promulgated thereunder. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment made in accordance with the terms of this Indenture.

The Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with the money representing income or principal payments due on, or sales proceeds due in respect of, Permitted Investments in such funds and accounts, or to credit to Permitted Investments intended to be purchased with such money, in each case before actually receiving the requisite money from the payment source, or to otherwise advance funds for account transactions. The legal obligation to pay the purchase price of Permitted Investments arises immediately at the time of the purchase. Notwithstanding anything else in this Indenture, (a) any such crediting of funds or assets shall be provisional in nature, and the Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto; and (b) nothing in this Indenture shall constitute a waiver of any the Trustee's rights as a securities intermediary under Section 9-206 of the Uniform Commercial Code.

Notwithstanding the foregoing, Permitted Investments shall not include any Derivative. Ratings of Permitted Investments referred to herein shall be determined at the time of initial purchase of such Permitted Investments and without regard to ratings subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments, including at the time of reinvestment of earnings thereof.

The Issuer and the Company acknowledge that regulations of the Comptroller of the Currency grant the Issuer and the Company the right to receive brokerage confirmations of security transactions as they occur. The Issuer and the Borrower specifically waive such right to notification to the extent permitted by law and acknowledge that they will receive periodic transaction statements that will detail all investment transactions.

**SECTION 5.17. Additional Funds and Accounts.** In addition to the funds and accounts specifically authorized under this Article, the Trustee shall have the authority to create and maintain such other funds and accounts as it may deem necessary for proper administration hereunder.

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**ARTICLE VI**  
**[RESERVED]**

## ARTICLE VII

### DISCHARGE OF LIEN

**SECTION 7.1. Discharge of Lien.** If the Issuer or the Company shall pay or cause to be paid, or there shall otherwise be paid or provision for payment made, to the Bondholders of the Bonds, the principal of, premium, if any, and interest due or to become due thereon at the times and in the manner stipulated therein, and if there has occurred no Event of Default by the Issuer with respect to any of the other covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed and observed by it or on its part, and if the Issuer shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions hereof, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Issuer such instruments in writing as shall be reasonably required by the Issuer to release the lien hereof, and reconvey, release, assign and deliver unto the Company or the School, as applicable, any and all of the estate, right, title and interest in and to any and all rights or property conveyed, assigned or pledged to the Trustee or otherwise subject to the lien of this Indenture, and except cash or Permitted Investments (including Governmental Obligations) held by the Trustee for the payment of the principal of, premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Article VII and for all purposes of this Indenture when (a) payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon earlier redemption as provided herein) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with the Trustee or another commercial bank with trust powers (the "Escrow Agent"), in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment and/or (2) noncallable Governmental Obligations, maturing as to principal and interest in such amount and at such time as will ensure the availability of sufficient money to make such payment, and (b) all necessary and proper fees, compensation and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. In addition, in the case of an advance refunding (the payment of a prior bond issue more than ninety (90) days in advance of its first call date) of Tax-Exempt Bonds or in the event that the funding method described in subsection (a)(ii)(2) above is employed, the Company shall provide to the Trustee copies of (A) a report by a nationally recognized verification agent which may be an Independent Accountant selected by the Company that the money and securities held in the escrow account, together with investment earnings (but without considering any reinvestment of such earnings), will be sufficient to pay, as the same become due upon maturity or earlier redemption, all principal of, premium, if any, and interest on the Bonds which have not then previously been paid, and (B) an opinion of Bond Counsel to the effect that establishment of the escrow account and the scheduled investments of money therein will not adversely affect the exclusion of interest on the related series of Tax-Exempt Bonds from gross income for federal income tax purposes and that the Bonds have been defeased in accordance with this Indenture. Such report and opinion shall include the Trustee as addressees, or the Trustee shall be provided letters stating that the Trustee can rely on such report and opinion as if they were addressed to the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefits

of this Indenture, except for the purposes of any such payment from such money or Governmental Obligations.

Notwithstanding the foregoing, no deposit under subsection (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until (a) proper notice of redemption of such Bonds shall have been previously given in accordance with Article III hereof, or in the event said Bonds are not by their terms subject to redemption within the next succeeding forty-five (45) days or are not to be redeemed within the next succeeding forty-five (45) days, until the Company shall have given the Trustee on behalf of the Issuer and the Company, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Owners of the Bonds, in accordance with Article III hereof, that the deposit required by subsection (a)(ii) of the immediately preceding paragraph has been made with the Escrow Agent and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which money is to be available for the payment of the principal of and the applicable redemption premium, if any, on said Bonds, plus interest thereon to the due date thereof; or (b) the maturity of such Bonds.

Notwithstanding any provision of any other Article of this Indenture which may be contrary to the provisions of this Article, all money or such noncallable Governmental Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such money and such noncallable Governmental Obligations have been so set aside in trust.

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## ARTICLE VIII

### DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

**SECTION 8.1. Events of Default.** If any of the following events occur, it is hereby declared to constitute an "Event of Default":

(a) Default in the due and punctual payment of interest on any Bond on any Interest Payment Date;

(b) Default in the due and punctual payment of the principal of or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;

(c) Default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Issuer contained in this Indenture or in the Bonds and failure to remedy the same after notice thereof pursuant to Section 8.12 of this Indenture;

(d) The cancellation or non-renewal of the School's Charter Contract/Agreement (after all administrative appeal periods have expired) with the School's authorizer and a new charter contract is not immediately in place so that there is no time period that the School is without a valid Charter Contract/Agreement.

(e) The occurrence of an "Event of Default" under Section 9.1 of the Loan Agreement, or under any provision of any other Security Document (including the Mortgage and the Pledge Agreement); and

(f) Receipt by the Trustee of written notification of the occurrence and continuation of any event of default under any other parity Indebtedness of the Company or any agreement (including the Intercreditor Agreement) in connection with or securing such parity Indebtedness and such written notification states that as a result of such event of default the holder of such parity Indebtedness would have the right to declare the principal thereof to be immediately due and payable.

**SECTION 8.2. Remedies for Events of Default Under Bond Indenture.**

(a) Upon the occurrence of an Event of Default hereunder, the Trustee shall have the following rights and remedies:

(i) *Acceleration.* Subject to the provisions of Section 8.11 of this Indenture, during the continuation of an Event of Default, and after the expiration of all applicable notice and cure periods, the Trustee may, and shall, at the direction of the Majority Bondholder(s) (without requirement of indemnification under Section 9.1(l) of this Indenture), by notice in writing delivered to the Issuer, the Bondholders and the Company, declare the principal of all Outstanding Bonds and the interest accrued thereon to be immediately due and payable, and thereupon that portion of the principal of the Bonds

thereby coming due and the interest accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding. Upon any declaration of acceleration hereunder, the Issuer and the Trustee shall immediately declare an amount equal to all amounts then due and payable on the Bonds to be immediately due and payable as Loan Repayments under Section 4.2(a) of the Loan Agreement.

(ii) *Suit for Judgment on the Bonds.* The Trustee shall be entitled to sue for and recover judgment, either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture, for the enforcement of any rights, or the rights of the Bondholders, but any such judgment against the Issuer shall be enforceable only against the Trust Estate. No recovery of any judgment by the Trustee shall in any manner or to any extent affect the lien of this Indenture or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the Bondholders, but such lien, rights, powers and remedies of the Trustee and of the Bondholders shall continue unimpaired as before.

(iii) *Protection of the Bondholders' Interests.* Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds and the provisions hereof and of the Loan Agreement or other Security Documents.

(b) If an Event of Default shall have occurred and be continuing and, if requested to do so by the Majority Bondholder(s), and if indemnified as provided in Section 9.1(l) of this Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section or by the Mortgage, the Lease, or the Loan Agreement, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders. No remedy or rights by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) are intended to be exclusive of any other remedy or right, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

**SECTION 8.3. Trustee May Enforce Rights Without Bonds.** All rights of action and claims under this Indenture or any of the Bonds Outstanding may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto; and any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Bondholders.

**SECTION 8.4. Right of Bondholders to Direct Proceedings.** Anything in this Indenture to the contrary notwithstanding, the Majority Bondholder(s) shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and

delivered to the Trustee, and satisfaction of the provision of indemnity in accordance with Section 9.1(l) of this Indenture (except with respect to acceleration, which shall require no indemnity), to direct the Trustee as to the preferred remedy, the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings or remedies permitted hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

**SECTION 8.5. Appointment of Receivers.** Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee, or of the Bondholders under this Indenture or the Mortgage, the Trustee shall be entitled to apply for the appointment of a receiver or receivers of the Company or the Charter School or both, of the Trust Estate, and of the property covered by the Mortgage, as the case may be, and of the revenues, earnings, rents, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**SECTION 8.6. Waiver by Issuer.** Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Issuer, nor anyone claiming through or under it, shall set up, claim, or seek to take advantage of any appraisement, valuation, stay, extension, or redemption laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

**SECTION 8.7. Application of Money.**

(a) If an Event of Default shall occur, all funds then held or thereafter received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture shall, after payment of the costs and expenses necessary, in the opinion of Trustee, to protect the interests of the Bondholders of the Bonds, including the costs and expenses of the Bondholders, and payment to the Trustee of the fees, liabilities, advances and expenses incurred or made by the Trustee, including reasonable fees and expenses of its counsel, be deposited in the Bond Fund and all money in the Bond Fund shall be applied by the Trustee in the following order:

(i) Unless the principal of all the Bonds in default shall have become or shall have been declared due and payable, all such money shall be applied:

*First*, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

*Second*, to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which money are held pursuant to the provisions of this Indenture), in the order of their due dates

and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such money shall be applied to the payment of the principal and interest then due and unpaid upon all of the Bonds, without preference or priority of principal over interest or of interest over principal, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(b) Whenever money is to be applied pursuant to the provisions of this Section, such money shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such money and of the fixing of any such date and shall not be required to make payment to the owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever the Majority Bondholders determine that no additional funds are likely to be received or collected by the Trustee, the Majority Bondholders may notify the Trustee in writing of such determination and instruct the Trustee that the application of any money remaining after paying the expenses allowed under paragraph (a)(i) above, constitutes a final distribution of the Bonds and the Bonds will be cancelled and considered no longer Outstanding under this Indenture, regardless of whether all the principal of, and interest on, the Bonds has been paid in full.

**SECTION 8.8. Remedies Vested in the Trustee.** All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as the Trustee without the necessity of joining as plaintiffs or defendants any Bondholders of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the Bondholders of the Outstanding Bonds.

**SECTION 8.9. Rights and Remedies of Bondholders.** Except as provided in Section 8.4 above, no Bondholder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in Section 9.1(h) of this Indenture, or of which by said subsection it is deemed to have notice, nor unless there has been an Event of Default and the Majority Bondholder(s) shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore

granted or to institute such action, suit or proceeding in their own name or names, nor unless also they have offered to the Trustee indemnity as provided in Section 9.1(1) of this Indenture (except with respect to acceleration of the Bonds) nor unless the Trustee shall thereafter fail or refuse to exercise within a reasonable period of time (not to exceed 30 days) the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity or other assurances are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one (1) or more Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his, her or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Bondholders of all Outstanding Bonds. However, nothing contained in this Indenture shall affect or impair the right of any Bondholder to enforce the payment, by the institution of any suit, action or proceeding in equity or at law, of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof, or the obligation of the Trustee on behalf of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective Bondholders thereof at the time, place, from the source and in the manner in the Bonds expressed.

**SECTION 8.10. Termination of Proceedings.** In case the Trustee or the Bondholders shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, or the Bondholders, then and in every such case, the Issuer, the Trustee, the and the Bondholders shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Issuer, the Trustee, and the Bondholders shall continue as if no such proceedings had been taken.

**SECTION 8.11. Waivers of Events of Default.** The Trustee may waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration of principal of and interest on the Bonds, upon the written request of the Majority Bondholder(s); provided, however, that there shall not be waived any Event of Default in the payment of the principal of or interest on any Outstanding Bonds (other than principal of or interest on the Bonds which became due and payable by declaration of acceleration), both, to the extent permitted by law, and all expenses of the Trustee in connection with such Event of Default shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Issuer, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

**SECTION 8.12. Notice of Events of Default under Section 8.1(c); Opportunity of the Issuer and the Company to Cure Such Events of Default.** Anything herein to the contrary notwithstanding, no default under Section 8.1(c) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer, the Trustee and the Company by the Trustee or by the Bondholders of not less than twenty-five percent (25%)

in aggregate principal amount of all Outstanding Bonds and the Issuer and the Company shall have had thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, however, if said default is such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if the Issuer or the Company shall within the applicable period furnish to the Trustee a certificate certifying that such default is such that it can be corrected but not within the applicable period and that corrective action has been instituted by the Issuer or the Company within the applicable period and will be diligently pursued until the default is corrected; provided, however such default under 8.1(c) of this Indenture must be corrected within sixty (60) days of notice thereof. The Issuer or the Company shall notify the Trustee in writing when such default has been corrected. The Trustee shall be entitled to conclusively rely upon any such certificates given pursuant to this Section.

With regard to any default concerning which notice is given to the Issuer and the Company under the provisions of this Section, the Issuer hereby grants the Company full authority for the account of the Issuer to perform any covenant or obligation alleged in said notice to constitute a default at the Company's sole cost and expense, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution.

#### **SECTION 8.13. Proofs of Claim.**

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuer, the Company or any other obligor upon the Bonds or the property of the Issuer, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable and irrespective of whether the Trustee shall have made any demand on the Issuer and/or the Company for the payment of overdue principal or interest) shall be entitled and empowered, by intervention of such proceeding or otherwise, to file and prove a claim for the whole amount of principal, premium, if any, and interest owing and unpaid in respect of the Bonds then Outstanding and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondholders allowed in such judicial proceeding, and to collect and receive any money or other property payable or deliverable on any such claims and to distribute the same; and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Bondholder to make such payments to the Trustee, and, in the event that the Trustee shall consent to the making of such payments directly to the Bondholders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agent and counsel.

(b) So long as Bonds are Outstanding the Trustee is hereby appointed, and the successive respective Bondholders, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee, the true and lawful attorney in fact of the respective Bondholders, with authority to make or file, in the respective names of the Bondholders or on behalf of all Bondholders, as a class, any proof of debt, amendment to proof of debt, petition or other documents and to execute any other papers and documents and to do and perform any and all acts and things for and on behalf of all Bondholders as a class, as may be necessary or advisable in the opinion of

the Trustee, in order to have the respective claim of the Bondholders against the Issuer, the Company or any other obligor allowed in receivership, insolvency, liquidation, bankruptcy or other proceeding, to which the Issuer, any Company or any other obligor, as the case may be, shall be a party. The Trustee shall have full power of substitution and delegation in respect of any such powers.

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## ARTICLE IX

### TRUSTEE

**SECTION 9.1. Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied duties shall be read into this Indenture or any Security Documents against the Trustee. In case an Event of Default has occurred of which the Trustee has notice or is deemed to have notice pursuant to Section 9.1(h) of this Indenture (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in the exercise of such rights and powers as an ordinary, prudent person would exercise or use under similar circumstances.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees, and shall not be answerable for the conduct of the same appointed by the Trustee in the exercise of reasonable care, and shall be entitled to advice of counsel concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of its counsel, bond counsel, or other counsel to the Issuer or the Company. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the certificate of authentication of the Trustee endorsed on the Bonds), or for insuring the School Facilities, or for collecting any insurance money (except in accordance with Article VI of the Loan Agreement), or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the School Facilities or the site of the School Facilities or any lien waivers with respect to the Series 2022 Project. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Issuer, the Company or the Charter School under the Loan Agreement or any Security Document, except as expressly set forth herein or therein; but the Trustee may require of the Issuer, the Company or the Charter School full information and advice as to the performance of the covenants, conditions, and agreements aforesaid and as to the condition of the Trust Estate. The Trustee shall have no obligation to perform any of the duties of the Issuer under the Loan Agreement. The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the

Company or the Charter School, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. Naming of the Trustee as a loss payee or additional insured under any insurance policy, or the furnishing to the Trustee of information relating thereto, shall not impose upon the Trustee any responsibility or duty to approve the form of such policy, the qualifications of the company issuing same or any other matters relating thereto. The Trustee shall not be responsible for the application of the proceeds of the Bonds, for the use or application of any property, or money released or paid out in accordance with the provisions of this Indenture or the Loan Agreement. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not the Trustee.

(e) The Trustee shall be entitled to conclusively rely upon, and shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons, not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. Any action taken by the Trustee pursuant to this Indenture upon the request or the consent of the Issuer, or any person who at the time of making such request or giving such consent is the Bondholder of any Bond shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by the Issuer Representative or the Company Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Section 9.1(h) hereof, or of which by Section 9.1(h) hereof it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of such officials of the Issuer who executed the Bonds (or their successors in office) to the effect that a resolution or ordinance in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution or ordinance has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture or any Security Document shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct and shall not be answerable for any negligent act of its attorneys, agents or receivers that have been selected by the Trustee with due care, subject to Section 9.1(a) of this Indenture. In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of

profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder or under any Security Document except failure by the Issuer to cause to be made any of the payments to the Trustee required to be made by Section 4.1 of this Indenture, or payments to the Trustee under the Loan Agreement, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer, the Company, the Charter School or by the Majority Bondholder(s), and all notices or other instruments required by this Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the Trustee's address specified in or pursuant to Section 12.5 of this Indenture, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives, shall have the right to inspect fully any and all of the Trust Estate, including all assets secured by any Security Document, including books and records of the Issuer or the Company pertaining to the School Facilities and the Bonds, and to make such copies and memoranda from and with regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property or any action whatsoever within the purview of this Indenture or any Security Document, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof or thereof required as a condition of such action, by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash or the taking of any other action by the Trustee.

(l) Before taking any action pursuant to Article VIII (except with respect to acceleration of the Bonds), the Trustee may require that indemnity satisfactory to it be furnished for the reimbursement of all expenses to which it may incur (including costs and expenses of its agents and counsel) and to protect it against all risk and liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct in connection with any such action. In entering into and performing any duties and obligations under the Security Documents to which the Trustee is a party or assignee of a party, the Trustee shall be entitled to the protections of this Indenture, including without limitation, the protections, immunities, limitations from liability, and indemnification accorded to the Trustee hereunder. Nothing in this Indenture or any Security Document shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder.

(m) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure document prepared or distributed in connection with the Bonds.

(n) All money received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received but needs not be segregated from other funds except to the extent required by law. The Bond Trustee shall not be under any liability for interest on any money received hereunder except such as may be agreed upon in writing.

(o) Without limiting the duties of the Trustee expressly set forth herein, the Trustee shall have no obligation or responsibility whatsoever in connection with (i) any federal or state tax-exempt status of the Tax-Exempt Bonds or the interest thereon; (ii) the consequences of the investment or noninvestment of any funds or accounts relating to the Tax-Exempt Bonds or the use of proceeds of the Tax-Exempt Bonds under Section 148 of the Code; (iii) the calculation of any amount required to be rebated to the United States under Section 148 of the Code; or (iv) compliance by the Issuer, the Company or the Charter School with the Tax Certificate.

(p) To the extent that it is necessary for the Trustee to determine whether any person is a Beneficial Owner under a book-entry system maintained by a securities depository, the Trustee shall be entitled to receive and shall be fully protected in relying upon a certification of such person setting forth in satisfactory detail the principal balance and bond certificate owned and any participants through which such bond certificate is held. The Trustee shall be entitled to rely conclusively on information it receives from DTC or other applicable securities depository, its direct participants and the indirect participating brokerage firms for such participants with respect to the identity of a Beneficial Owner. The Trustee shall not be deemed to have actual or constructive knowledge of the books and records of DTC or its participants and shall not be responsible for the accuracy of such books and records. The Trustee shall not be liable for any action taken or omitted by it in good faith at the direction of the Majority Bondholder as to the time, method and place of conducting any proceedings for any remedy available to the Trustee or the exercising of any power conferred by this Indenture, the Loan Agreement or any Security Document. Any action taken, or omitted to be taken, by the Trustee in good faith pursuant to this Indenture, the Loan Agreement or any Security Document upon the request, authority or consent of any person who, at the time of making such request or giving such authority or consent, is a Beneficial Owner of a Bond shall be conclusive and binding upon all future holders of such Bond or Bond executed and delivered in exchange therefor or in place thereof.

(q) Subject to its duties during the occurrence and continuance of an Event of Default of which it has notice in accordance with paragraph (h) of this Section 9.1, the Trustee shall not be bound to make any investigation into or verification of the facts, opinions, calculations, protections, estimates, recommendations or other matters stated in any certificate, opinion, report, study, financial statement, funding applications or submissions, notice, request, Company Request, direction, resolution, consent, plan, order or other paper or document submitted to the Trustee by the Company, the Charter School

or any consultant or other professional retained by the Company or the Charter School pursuant to the Loan Agreement, the Pledge Agreement or any other Security Document; provided, that in the case of any such document specifically required to be furnished to the Trustee hereby or by the Loan Agreement, the Pledge Agreement or other Security Document, the Trustee shall be under a duty to examine the same to determine whether or not it conforms to the requirements hereof or thereof. The Trustee shall hold such documents for safe-keeping purposes only, and the Trustee's receipt of such documents shall not constitute constructive or actual notice of any information contained therein or determinable from information contained therein. The Trustee may provide copies thereof to Holders that request such information.

(r) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include, but not be limited to, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics, quarantine restrictions, or other similar occurrences.

(s) The Trustee shall be under no responsibility to approve or evaluate any attorney, expert, consultant, or other skilled person selected by the Issuer, the Company, or the Charter School for any of the purposes expressed in this Indenture, the Loan Agreement, or other Security Document.

(t) The Trustee shall have the right to accept and act upon instructions or directions, including funds transfer instructions, pursuant to this Indenture and the Security Documents sent by Electronic Means (hereinafter defined); provided, however, that the Issuer, the Company and the Charter School (each a "Sender") shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions ("Authorized Officers"), which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. As used in this paragraph, "Electronic Means" means a portable document format ("pdf") or other replicating image attached to an unsecured email, secure electronic transmission (containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee), or another method or system specified by the Trustee as available for use in connection with its services hereunder. If a Sender elects to give the Trustee instructions by Electronic Means and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. Each Sender agrees that the Trustee cannot determine the identity of the actual sender of such instructions and that the Trustee shall conclusively presume that instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. Each Sender shall be responsible for ensuring that only their respective Authorized Officers transmit such instructions to the Trustee, and the Senders and their Authorized Officers are responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys provided by the Trustee, if any. The Trustee shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a

subsequent written instruction delivered by other means. Each Sender agrees (i) to assume all risks arising out of the use of such Electronic Means to submit instructions and direction to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the use of Electronic Means; (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) that it will notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

**SECTION 9.2. Fees, Charges, and Expenses of the Trustee.** The Trustee and any paying agents shall be entitled to payment and reimbursement for fees for their services rendered hereunder, except for expenses incurred because of the Trustee's negligence, and for all advances and expenditures, including but not limited to advances to and fees and expenses of accountants, consultants, counsel (including allocable costs of in-house counsel), agents or other experts employed by it in the exercise and performance of its powers and duties, reasonably and necessarily made or incurred by the Trustee in connection with such services, as provided in Section 4.2(c) of the Loan Agreement. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of, premium, if any, and interest on any Bond upon the Trust Estate for the foregoing fees, charges and expenses incurred by the Trustee. The obligation to pay such amounts shall survive the payment in full or defeasance of the Bonds or the removal or resignation of the Trustee.

**SECTION 9.3. Notice to Bondholders if Event of Default Occurs.** If an Event of Default occurs of which the Trustee is by Section 9.1(h) hereof required to take notice or if notice of Event of Default be given as therein provided, then the Trustee shall promptly give written notice thereof to the Bondholders and post such notice on EMMA.

**SECTION 9.4. Intervention by the Trustee.** In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Bondholders of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested by an instrument or one or more concurrent instruments in writing signed by Majority Bondholder(s), and if indemnified as provided in Section 9.1(l) of this Indenture.

**SECTION 9.5. Successor Trustee.** Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding. In case any of the Bonds to be issued hereunder shall have been authenticated, but not delivered, any successor Trustee may adopt the certificate of any predecessor

Trustee, and deliver the same as authenticated; and, in case any of such Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of such successor Trustee.

**SECTION 9.6. Resignation by the Trustee.** The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty (30) days written notice by first-class mail, at the Company's expense, to the Issuer, the Company, and the Registered Owner(s) as shown by the list of Registered Owner(s) required by Section 2.8 hereof to be kept by the Trustee and any Bondholder who has provided the Trustee with its contact address for notices, and such resignation shall not take effect until the appointment of a successor Trustee pursuant to Section 9.8 below.

**SECTION 9.7. Removal of the Trustee.** The Trustee may be removed at any time upon thirty (30) days written notice with notice to the Issuer and the Company or, with the consent of the Issuer, by an instrument or one or more concurrent instruments in writing delivered to the Trustee and to the Issuer and signed by Majority Bondholder(s); provided, however, that such removal by the Majority Bondholder(s) or the Issuer shall not take effect until the appointment of a successor Trustee pursuant to Section 9.8 below. If the successor has not been appointed within such thirty (30) day period, the Trustee may petition any court of competent jurisdiction in the State for the appointment of a successor.

**SECTION 9.8. Appointment of Successor Trustee by Bondholders.** In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may (and shall, in the event of a resignation or removal) be appointed by the Majority Bondholder(s), by an instrument or one or more concurrent instruments in writing signed by Bondholders who in the aggregate qualify as the Majority Bondholder(s), their registered investment advisor who has investment discretion for such Bondholders, or by their attorneys in fact duly authorized, a copy of which shall be delivered personally or sent by private overnight delivery service to the Issuer and to the Trustee who is being replaced. In case of any such vacancy for sixty (60) days, the Issuer, by an instrument executed, attested, and sealed by an Authorized Issuer Representative, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Majority Bondholder(s) in the manner above provided; and such temporary trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee appointed by the Majority Bondholder(s). Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing, duly incorporated or organized; be duly authorized to exercise trust powers, be subject to examination by a federal or state authority, having a reported capital and surplus of not less than \$75,000,000 if there be such an institution willing, qualified, and able to accept the trust upon customary terms. The Trustee's rights to indemnity and reimbursement of outstanding fees and expenses shall survive the Trustee's resignation or removal. The Trustee shall be entitled to deduct its fees and expenses from the Trust Estate prior to transferring any amounts to a successor trustee.

**SECTION 9.9. Acceptance by Any Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Company an instrument in writing accepting such appointment hereunder, and

thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and money held by it as the Trustee hereunder, together with an electronic copy of the bond transcript, to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged, and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where this Indenture shall have been filed or recorded, if any.

**SECTION 9.10. Right of the Trustee to Pay Assessments and Other Charges.** In case any assessment, governmental or other charge upon, with respect to, any part of the School Facilities is not paid as required herein or in the Loan Agreement or the Mortgage, the Trustee may, but shall not be required to, pay such assessment, governmental or other charge, without prejudice, however, to any rights of the Trustee or the Bondholders arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment, shall become so much additional indebtedness (to the Trustee) secured by this Indenture, and the same shall be given a preference in payment over any of the Bonds, and shall be paid out of the proceeds of revenues collected from the School Facilities, if not otherwise caused to be paid; but the Trustee shall not be under any obligation to make any such payment unless it shall have been requested to do so by the Majority Bondholder(s) and shall have been provided with adequate funds for the purpose of such payment.

**SECTION 9.11. Appointment of Co-Trustee.** It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, the Loan Agreement or any other Security Document, and in particular in case of the enforcement of any of them upon an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, after receipt of an opinion of counsel confirming its decision, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-Trustee. The following provisions of this Section are adapted to these ends.

The Trustee, after consultation with the Majority Bondholder(s), may appoint an additional individual or institution as a separate or co-Trustee, in which event each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall also be exercisable by and vest in such separate or co-Trustee, but only to the extent necessary to enable such separate or co-Trustee to exercise such powers, rights and remedies, and every

covenant and obligation necessary to the exercise thereof by such separate or co-Trustee shall run to and be enforceable by either of them. The qualifications of the co-Trustee shall be the same as those required of a Trustee under Section 9.8 above.

Should any deed, conveyance, or instrument in writing from the Issuer be required by the separate or co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to such separate or co-Trustee such properties, rights, powers, trusts, duties, and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged, and delivered by the Issuer. In case any separate or co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties, and obligations of such separate or co-Trustee, so far as permitted by law, shall vest in, and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate or co-Trustee.

## ARTICLE X

### SUPPLEMENTAL INDENTURES

#### **SECTION 10.1. Supplemental Indentures Not Requiring Consent of Bondholders.**

The Issuer and the Trustee may, without consent of, but with ten (10) Business Days' notice to, the Bondholders (solely through a notice posted on EMMA), enter into an indenture or indentures supplemental to this Indenture for any one (1) or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, covenants, agreements, powers, or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee which are not contrary to or inconsistent to the material prejudice of Bondholders with this Indenture as then in effect;
- (c) To subject to this Indenture additional revenues, properties, or collateral;
- (d) To modify, amend, or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;
- (e) To evidence the appointment of a separate or co-Trustee or the succession of a new Trustee hereunder;
- (f) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.12 hereof;
- (g) If a Series of Bonds are all Depository Bonds, amend, modify, alter, or replace the Letter of Representations or other provisions relating to Depository Bonds;
- (h) To comply with changes to applicable State laws; and
- (i) To amend or modify any provision of this Indenture so long as such amendment or modification does not materially adversely affect the interests of the Registered owners of the Bonds.

The Trustee shall not be obligated to enter into any such supplemental Indenture which adversely affects the Trustee's own rights, duties or immunities under this Indenture.

#### **SECTION 10.2. Supplemental Indentures Requiring Consent of Bondholders.**

Exclusive of supplemental indentures permitted by Section 10.1 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Majority Bondholder(s) shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to require or consent to and approve the execution by the Issuer and the Trustee of such other

indenture or indentures supplemental hereto for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture.

Notwithstanding the foregoing, nothing in this Section or in Section 10.1 hereof shall permit, or be construed as permitting, without the consent of the Bondholders of not less than **[2/3 [seventy-five percent (75%)]]** in aggregate principal amount of the Outstanding Bonds, any of the following:

(a) an extension of the maturity of the principal of, or the interest on, any Bond issued under this Indenture;

(b) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon;

(c) the creation of any lien ranking prior to or on a parity with the lien of this Indenture on the Trust Estate or any part thereof other than to provide for the issuance of parity Additional Bonds in accordance with the provisions of Section 2.12 of this Indenture; or

(d) the deprivation of the Bondholder of any Outstanding Bond of the lien hereby created on the Trust Estate, and provided further, that nothing in this Section or in Section 10.1 of this Indenture shall permit, or be construed as permitting, without the consent of the Bondholders of all Outstanding Bonds (i) a privilege or priority of any Bond or Bonds over any other Bond or Bonds; or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indentures or any modifications or waiver of the provisions of the Loan Agreement or any Security Document.

If at any time the Issuer requests the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture, together with a copy of the proposed supplemental indenture to be posted on EMMA and given to the Bondholders through the Depository to the Registered Owner(s) required by the terms of Section 2.8 of this Indenture to be kept at the designated corporate trust office of the Trustee. Such notices shall be prepared by the Company on behalf of the Issuer and shall briefly set forth the nature of the proposed supplemental indenture. If **[within forty-five (45) days following such notices,]** the required Bondholder consents shall have been received by the Trustee, no Bondholder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Article shall not become effective unless and until the Company shall have consented to the

execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution of any such supplemental indenture together with a copy of the proposed supplemental indenture to be delivered via e-mail to the contact person on file with the Trustee or mailed by certified or registered mail to the Company at least fifteen (15) Business Days prior to the proposed date of execution and delivery of any such supplemental indenture. The Company shall be deemed to have consented to the execution and delivery of any such supplemental indenture if the Trustee does not receive a written letter of protest or objection thereto signed by or on behalf of the Company on or before fifteen (15) Business Days after the mailing of said notice to the address provided to the Trustee and listed in the Loan Agreement.

Each supplemental indenture executed and delivered pursuant to the provisions of this Section 10.2 shall take effect when the required Bondholder consents are received consistent with the provisions of Section 12.1 below.

**SECTION 10.3. Opinion of Counsel Required.** Notwithstanding anything in this Article X to the contrary, no supplemental indenture may be entered into unless the Issuer and the Trustee have first received the following opinion letters. Subject to the provisions of Section 9.1, the Trustee in executing or accepting the additional trusts permitted by this Article or the modifications thereby of the trusts created by this Indenture may rely, and shall be fully protected in relying, on (i) an opinion of Counsel (including Counsel to the Company or Bond Counsel) stating that (a) the execution of such supplemental indenture is authorized or permitted by this Indenture and (b) all conditions precedent to the execution and delivery of such supplemental indenture have been complied with, and (ii) a Favorable Opinion of Bond Counsel that the execution and performance of such supplemental indenture shall not, in and of itself, adversely affect the federal income tax status of the Tax-Exempt Bonds. The Trustee may accept and rely upon such opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to the provisions of this Article complies with the requirements of this Article. The Trustee is not obligated to enter into an amendment that adversely affects its rights.

**SECTION 10.4. Effect of Supplemental Indentures.** Upon the execution and delivery of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every holder of any Bond theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

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## ARTICLE XI

### AMENDMENT OF SECURITY DOCUMENTS

**SECTION 11.1. Amendments to Security Documents Not Requiring Consent of Bondholders.** Without the consent of or notice to the Bondholders, the Issuer, the Company, the Charter School, and the Trustee may amend, change or modify and consent to any amendment, change or modification of the Issuer Documents, the Company Documents, the School Documents and the Security Documents as may be required (a) by the provisions of the Agreement or this Indenture, (b) for the purpose of curing any ambiguity, inconsistency or defect or omission in the Loan Documents, (c) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 10.1, (d) in connection with implementing the issuance of Additional Bonds, or (e) in connection with any other change therein which is not to the material prejudice of the Trustee or the Bondholders. Additionally, without the consent of the Bondholders, the Company and the Charter School shall have the right to amend the Lease by providing a statement of the specific rent due in any year; provided that no amendment shall reduce the rent in any year to an amount less than the Schedule of Minimum Base Rent (as defined in the Lease) for such year.

The Issuer and the Trustee shall without the consent of the Bondholders, but with ten (10) days' prior written notice to the Bondholders, amend, change or modify or consent to any amendment, change or modification of the Security Documents as may be required (a) so as to more precisely identify the Project, the School Facilities, or the Mortgaged Property (as defined in the Mortgage) or to substitute or add additional improvements, equipment or furnishings to the School Facilities or additional rights or interests in property acquired in accordance with the provisions of the Security Documents; (b) to enter into an indenture or indentures supplemental hereto as provided in Section 10.2 of this Indenture; (c) to assign rights and obligations under the Security Documents; or (d) to effectuate the sale of unimproved real property as described in the Mortgage and allowed under Section 8.5 of the Loan Agreement in compliance with the requirements of Section 3.5 of the Tax Certificate.

**SECTION 11.2. Amendments to Security Documents Requiring Consent of Bondholders.** Except for the amendments, changes or modifications as provided in Section 11.1 hereof, neither the Issuer nor the Trustee shall amend, change or modify or consent to any other amendment, change or modification of the Security Documents without mailing of notice to the Bondholders and the written approval or consent of the Majority Bondholder(s), provided that the consent of the Bondholders of not less than **[2/3] [seventy-five percent (75%)]** in aggregate principal amount of the Outstanding Bonds is required for any amendment, change or modification of the Security Documents that would permit the termination or cancellation of the Security Documents or a reduction in or postponement of the payments under the Security Documents or any change in the provisions relating to the payment thereunder. If at any time the Issuer and the Company shall request the consent of the Trustee to any such proposed amendment, change or modification of the Security Documents pursuant to this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 10.2 of this Indenture with respect to supplemental indentures. Such notice shall be prepared by the Issuer or the Company, shall briefly set forth the nature of such proposed amendment, change or

modification as prepared by the Issuer or the Company, and shall include a copy of the proposed amendment. The Trustee is not obligated to enter into an amendment that adversely affects its rights.

Each amendment to a Security Document executed and delivered pursuant to the provisions of this Section 11.2 shall take effect when and the required Bondholder consents are received consistent with the provisions of Section 12.1 below.

**SECTION 11.3. Opinions of Counsel Required.** Notwithstanding anything in this Article XI to the contrary, the Security Documents may not be amended unless the Issuer and the Trustee have first received the following opinion letters. In consenting to an amendment, change or modification to the Loan Documents permitted by this Article XI, the Issuer and the Trustee shall receive, and (subject, with respect to the Trustee, to Section 9.1) shall be fully protected in relying upon, (i) an opinion of Counsel (which may be Counsel to the Company or Bond Counsel) stating that (a) the execution of such consent, amendment, change or modification is authorized or permitted by this Indenture and the applicable Security Document, and (b) all conditions precedent to the execution and delivery of such consent, amendment, change or modification have been complied with (ii) and a Favorable Opinion of Bond Counsel that the delivery and performance of such amendment, change or modification shall not, in and of itself, adversely affect the federal income tax status of the Tax-Exempt Bonds. The Trustee is not obligated to enter into an amendment that adversely affects its rights. The Trustee and the Issuer may accept and rely upon such opinion of Counsel as conclusive evidence that any such consent, amendment, change or modification complies with the provisions of this Article.

**SECTION 11.4. Subordination Agreement.** The Trustee, the Charter School, and the Company may execute and enter into any subordination agreement in connection with the incurrence of any permitted Indebtedness to explicitly establish the subordination of such permitted Indebtedness to the security for the Bonds issued under this Indenture.

**SECTION 11.5. Account Control Agreement.** The Trustee, the Charter School, and the Company may execute and enter into any replacements or any amendments or supplements to the Account Control Agreement or enter into an intercreditor agreement which would be permitted with respect to the Security Documents, in connection with the incurrence of Short-Term Indebtedness. The Trustee shall be provided with an opinion of Counsel in connection with any such replacements, amendments or supplements to the Account Control Agreement, that any such replacement, amendment or supplement to the Account Control Agreement is authorized and permitted, and the execution thereof of an intercreditor agreement is authorized under the terms of the Security Documents and is enforceable against the Company and the Charter School.

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## ARTICLE XII

### MISCELLANEOUS

**SECTION 12.1. Consents of Bondholders.** Any consent, request, direction, approval, objection, or other instrument required by this Indenture to be signed and executed by one or more Bondholders may be in any number of concurrent writings or documents of similar tenor and may be signed or executed by such Bondholder(s) in person or by an agent appointed in writing. For the avoidance of doubt, proof of the execution of any such consent, request, direction, approval, objection, or other instrument or of the written appointment of any such agent or of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the Issuer maintained by the Trustee pursuant to Section 2.8 of this Indenture.

For all purposes of this Indenture and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the Bondholder of such Bond until the Trustee shall have received notice in writing to the contrary. For purposes of consents, requests, directions, approvals, objections or other instruments required by this Indenture to be signed and executed by one or more Bondholders, Bonds owned by the Issuer, the Company or the Charter School or any affiliate thereof are not deemed "Outstanding "; provided, however, that for the purpose of determining whether the Trustee shall be protected in relying upon any such written consents, only Bonds that the Trustee actually knows to be so owned shall be so disregarded.

A copy of such supplemental indenture (or brief summary thereof or reference thereto prepared by the Company) or such amendment to a Security Document, together with a request to Bondholders for their consent thereto prepared by the Company, shall be sent by the Company, or at the written direction of the Company, by the Trustee, to Bondholders, at the expense of the Company, by industry standard means selected by the Trustee for such communication which may include first-class mail postage prepaid, e-mail, DTC, posting on EMMA, provided that a failure to mail such request shall not affect the validity of the supplemental indenture when consented to as provided hereinafter. Such supplemental indenture or amendment to the Security Documents requiring the consent of Bondholders as provided in Section 10.2 or 11.2, as applicable, shall not be effective unless and until there shall have been filed with the Trustee (a) the written consents of Bondholders of the percentage of Bonds specified in Section 10.2 or 11.2, as applicable, and (b) the opinions of Counsel required in Articles X and XI, as applicable. Any such consent shall be binding upon the Bondholder giving such consent and upon any subsequent holder of such Bonds

and of any Bonds issued in exchange therefor or in lieu thereof (whether or not such subsequent Bondholder has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent holder.

**SECTION 12.2. Limitation of Rights.** With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Company and the Bondholders of the Bonds, any legal or equitable right, remedy or claim under or with respect to this Indenture or any covenants, conditions and provisions herein contained. This Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto the Company, and the Bondholders of the Bonds, as herein provided. Notwithstanding the above, the rights of the Company hereunder shall be construed in all cases as junior to the rights of the Bondholders.

**SECTION 12.3. Severability.** If any term or provision of this Indenture or the Bonds shall be held or deemed to be or shall, in fact, be invalid, illegal, inoperative, or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because such term or provision conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever, and such term and provision shall be valid and enforced to the fullest extent permitted by law.

**SECTION 12.4. Limitation of Liability of Officials of Issuer.**

(a) Anything in this Indenture to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Trustee or the Company as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(b) No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Issuer contained in this Indenture, any other Issuer Documents, or in any Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise, or agreement of the Issuer contained in any agreement, instrument, or certificate executed in connection with the Project or the issuance and sale of the Bonds, against any of the Issuer Indemnified Parties, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that no personal liability whatsoever shall attach to, or be incurred by, any of the Issuer Indemnified Parties, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into by the Issuer with the Company or the Trustee, or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against each of the Issuer Indemnified Parties is, by the execution of the Bonds, this Indenture, and the other documents executed by the Issuer, and as a condition of, and as part of the consideration for, the execution of the Bonds, this Indenture, and the other documents executed by the Issuer, is expressly waived and released.

(c) No agreements or provisions contained in this Indenture, or any agreement, covenant, or undertaking by the Issuer in connection with the Project or the issuance, sale, and/or delivery of the Bonds shall give rise to a charge against the general credit of the Issuer, or shall obligate the Issuer financially in any way, except as may be payable from the revenues pledged hereby for the payment of the Bonds and their application as provided in this Indenture. No failure of the Issuer to comply with any term, covenant, or agreement contained in the Bonds, this Indenture or the Loan Agreement, or in any document executed by the Issuer in connection with the Project, the School Facilities or the issuance and sale of the Bonds, shall subject the Issuer to liability for any claim for damages, costs, or other financial or pecuniary charge, except to the extent the same can be paid or recovered from the revenues pledged for the payment of the Bonds or other revenues derived under the Loan Agreement. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant, or agreement herein; provided that no costs, expenses, or other monetary relief shall be recoverable from the Issuer, except as may be payable from the revenues pledged under this Indenture for the payment of the Bonds or other revenue derived under the Loan Agreement. No provision, covenant, or agreement contained herein, or any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against the Issuer's general credit. In making the agreements, provisions, and covenants set forth in this Indenture, the Issuer has not obligated itself, except with respect to the application of the revenues pledged in this Indenture for the payment of the Bonds or other revenues derived under the Loan Agreement.

(d) Nothing contained in this Indenture shall in any way obligate the Issuer to pay any debt or meet any financial obligations to any Person at any time except from money received under the provisions of this Indenture or from the exercise of the Issuer's rights hereunder. Nothing contained in this Bond Indenture shall in any way obligate the Issuer to pay such debts or meet such financial obligations from money received for the Issuer's own purposes. The Bonds secured by this Indenture do not now and shall never constitute a general obligation or debt of the Issuer or a pledge of the faith and credit of the State, or any other political subdivision thereof, and each covenant and undertaking by the Issuer in this Indenture and in the Bonds to make payments is not a general obligation or debt of the Issuer or a pledge of the faith and credit of the State, but is a special, limited obligation payable solely from the Trust Estate pledged for their payment in accordance with this Indenture.

**SECTION 12.5. Notices.** Any notice, request, complaint, demand, communication, or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail unless otherwise indicated, postage prepaid, by Electronic Means (in accordance with Section 9.1(r) hereof), or by confirmed telecopy, addressed as follows:

If to the Issuer:

City of Ramsey, Minnesota  
7550 Sunwood Drive NW  
Ramsey, MN 55303  
Attn: City Administrator  
Email: [bhagen@cityoframsey.com](mailto:bhagen@cityoframsey.com)

If to the Trustee:

U.S. Bank Trust Company, National  
Association  
Mail Code EP-MN-WS3C  
60 Livingston Avenue  
St. Paul, MN 55107  
Attn: Christine Robinette, Vice President  
Email: [Christine.robinette@usbank.com](mailto:Christine.robinette@usbank.com)

If to the Company:

PCS Building Company  
7250 East Ramsey Parkway  
Ramsey, MN 55303  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to:

Dorsey & Whitney LLP  
Suite 1500, 50 South 6<sup>th</sup> Street  
Minneapolis, MN 55402  
Attn: Rhonda Skoby  
Email: [skoby.rhonda@dorsey.com](mailto:skoby.rhonda@dorsey.com)

If to the Charter School:

PACT Charter School  
7250 East Ramsey Parkway  
Ramsey, MN 55303  
Attn: Jack Nyquist  
Email: [j.nyquist@pactcharter.org](mailto:j.nyquist@pactcharter.org)

With a copy to:

Dorsey & Whitney LLP  
Suite 1500, 50 South 6<sup>th</sup> Street  
Minneapolis, MN 55402  
Attn: Rhonda Skoby  
Email: [skoby.rhonda@dorsey.com](mailto:skoby.rhonda@dorsey.com)

Any of the foregoing may designate, by writing delivered to the addresses stated in or pursuant to this Section 12.5, any further or different addresses to which subsequent notices, certificates or other communications shall be sent. The Trustee shall not be deemed to have received, and shall not be liable for failing to act upon, the contents of any notice, request, complaint, demand, or communication unless and until the Trustee actually receives such notice.

All notices, approvals, consents, requests, and any communications to the Trustee hereunder must be in writing in English and must be in the form of a document that is signed manually or by way of an electronic signature (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign, or any other electronic signature provider acceptable to the Trustee). Electronic signatures believed by the Trustee to comply with the E-SIGN ACT of 2000, or other applicable law shall be deemed original signatures for all purposes. If the Issuer, Company, or Charter School chooses to use electronic signatures to sign documents delivered to the Trustee, the Issuer, Company, or the Charter School, as applicable, agrees to assume all risks arising out of its use of electronic signatures, including without limitation

the risk of the Trustee acting on an unauthorized document and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Trustee may in any instance and in its sole discretion require that an original document bearing a manual signature be delivered to the Trustee in lieu of, or in addition to, any document signed via electronic signature.

**SECTION 12.6. No Personal Liability of Officials of Issuer or Trustee.** No covenant or agreement contained in the Bonds or in this Indenture shall be deemed to be the covenant or agreement of any elected, appointed or otherwise engaged governing body member, official, director, officer, agent, member, consultant, contractor, or legal counsel of the Issuer in his or her individual capacity or any officer, agent, member, consultant or employee of the Trustee in his or her individual capacity, and neither the members of the governing body of the Issuer nor any official executing the Bonds, including any officer or employee of the Trustee, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

**SECTION 12.7. Remedies of the Issuer.** Notwithstanding any contrary provision in this Indenture, the Issuer shall have the right to take any action or make any decision with respect to proceedings for indemnity against the liability of the Issuer, the Company and the respective personnel and for collection reimbursements. The Issuer may enforce its rights under the Loan Agreement which have not been assigned to the Trustee by legal proceedings for the specific performance of any obligation contained therein and herein or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Company of its obligations to the Issuer under the Loan Agreement, including court costs, reasonable attorneys' fees and other costs and expenses incurred in enforcing such obligations.

**SECTION 12.8. Limitation on Actions.** The Issuer shall not be required to monitor, or provide information or disclosure concerning the financial condition of the Company or other matters relating to the Bonds and shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder or under the Loan Agreement. The Issuer shall not be required to take notice of any breach or default except when given notice thereof by the Trustee, or the Bondholders, as the case may be. The Issuer shall not be required to take any action unless indemnity reasonably satisfactory to it is furnished for expenses or liability to be incurred therein (other than the giving of notice). The Issuer, upon written request of the Bondholders, or the Trustee, shall cooperate to the extent reasonably necessary to enable the Trustee to exercise any power granted to the Trustee by this Indenture.

**SECTION 12.9. Responsibility.** The Issuer shall be entitled to the advice of counsel (who may be counsel for any party or for any Bondholder or Beneficial Owner unless an opinion of independent counsel or opinion of Bond Counsel is required hereunder) and shall be wholly protected as to any actions taken or omitted to be taken in good faith in reliance on such advice. The Issuer may rely conclusively on any notice, certificate or other document furnished to it hereunder or pursuant to the Loan Agreement or the Bond Purchase Agreement and reasonably believed by it to be genuine. The Issuer shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or power conferred upon it, or in good faith omitted to be taken by it because it was reasonably believed to be beyond the discretion or power conferred upon it or taken by it pursuant to any direction or instruction by which it is governed hereunder or omitted to be taken by it by reason of the lack of direction or instruction

required for such action hereunder, or be responsible for the consequences of any error of judgment reasonably made by it. When any payment, consent or other action by the Issuer is called for by this Indenture or the Loan Agreement, the Issuer may defer such action pending such investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof. A permissive right or power to act in the Issuer shall not be construed as a requirement to act, and no delay in the exercise of a right or power shall affect the subsequent exercise thereof. The Issuer shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any Person. No recourse shall be had by the Company, the Trustee, any Bondholder or any Beneficial Owner for any claim based on this Indenture or the Bonds against any of the Issuer's governing body members, officers, employees, legal counsel, financial advisors or agents unless such claim is based upon the willful dishonesty or intentional violation of law of such person.

**SECTION 12.10. Holidays.** If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

**SECTION 12.11. Counterparts.** This Indenture may be simultaneously executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, but all of which, when taken together, shall constitute but one and the same instrument, and shall become effective when copies hereof shall be delivered to each of the parties hereto, which copies, when taken together, bear the signatures of each of the parties hereto.

**SECTION 12.12. Applicable Provisions of Law.** This Indenture shall be governed in all respects including validity, interpretation and effect by, and shall be enforceable in accordance with, the laws of the United States of America and of the State.

**SECTION 12.13. Parties Interested Herein.** Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Trustee, the paying agent, if any, and the Bondholders of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Issuer and the Company shall be for the sole and exclusive benefit of the Trustee, the paying agent, if any, and the Bondholders of the Bonds.

**SECTION 12.14. Survival of Certain Provisions.** Notwithstanding anything in this Indenture to the contrary, any provisions of this Indenture which relate to the majority of the Bonds, interest payments and dates therefor, optional and mandatory redemption provisions, credit against sinking fund payments, exchange, transfer and cancellation of the Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of the Bonds, non-presentation of the Bonds, the holding of money in trust, and repayments to the Company and the Issuer from Indenture funds and accounts, the rebate of amounts to the United States of America, and the rights, remedies and duties of the Trustee and the Registrar in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee, the Registrar, the Paying Agent and the Owners notwithstanding the release and discharge of this Indenture. The provisions of this Section 12.14 shall survive the release, discharge, and satisfaction of this Indenture.

**SECTION 12.15. Electronic Signatures.** The parties agree that the electronic signature of a party to this Indenture shall be as valid as an original signature of such party and shall be effective to bind such party to this Indenture. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or a digital signature provided by DocuSign or other digital signature provider; 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.

**SECTION 12.16. Patriot Act.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Trustee will request documentation to verify its formation and existence as a legal entity. Furthermore, if required by the Patriot Act, the Trustee may request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Issuer and the Trustee have executed this Indenture of Trust on their respective behalf as of the date and year first written above.

**CITY OF RAMSEY, MINNESOTA**

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

Execution page of the Trustee to the Indenture of Trust, dated as of the date and year first written above.

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION**  
as Trustee

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

**EXHIBIT A**

**FORM OF SERIES 2022A BOND**

**UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF ANOKA  
CITY OF RAMSEY, MINNESOTA**

**CHARTER SCHOOL LEASE REVENUE REFUNDING BONDS  
(PACT CHARTER SCHOOL PROJECT)  
SERIES 2022A**

No. R-\_\_ \$ \_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
_____ %	_____, 20__	_____, 20__	

BONDHOLDER: CEDE & CO.

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Ramsey, Minnesota (the "Issuer"), a home rule charter city and political subdivision organized and existing under the Constitution and laws of the State of Minnesota, for value received, promises to pay from the sources and as hereinafter provided, to the Bondholder (named above), or registered assigns, on the Maturity Date (stated above), upon surrender hereof, the Principal Sum (stated above), and in like manner to pay interest on said Principal Sum from the Original Issue Date (stated above) at the Interest Rate per annum (stated above), semiannually on June 1 and December 1 of each year, commencing December 1, 2022 (or, if any such day is not a business day, then on the next business day thereafter with the same effect as if paid on such date), until said Principal Sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Series 2022A Bond prior to maturity may become applicable hereto; provided that during the occurrence and continuance of an Event of Default, this Series 2022A Bond shall bear interest at ten percent (10%) (the "Late Payment Rate") and, from and after a Determination of Taxability, this Series 2022A Bond shall bear interest at the Series 2022A Taxable Rate. Both principal of and premium, if any, on this Series 2022A Bond are payable in lawful money of the United States of America at the designated corporate trust office of U.S. Bank Trust Company, National Association, a national banking association, in Saint Paul, Minnesota, as trustee (the "Trustee"), or at the duly designated office of any successor Trustee or paying agents appointed under the Indenture (hereinafter defined). Payment of interest on this Series 2022A Bond shall be made to the Bondholder hereof on the "Record Date" or "Special Record Date," as the case may be, and shall be paid by check or draft mailed to the person who shall be the Bondholder hereof on the Record Date or Special Record Date, as the case may be, at the address of the Bondholder as it then appears on the registration

books of the Trustee. The Special Record Date shall be a date for payment of interest, specified by the Trustee in the event of a default on the payment of interest. Interest shall also be payable by wire transfer to an account in a domestic financial institution designated in writing to the Trustee, on or before the appropriate record date, upon request by, and at the expense of, a Bondholder of at least \$1,000,000 in an initial aggregate principal amount of the Series 2022 Bonds (hereinafter defined). Capitalized terms used herein that are not otherwise defined shall have the meanings provided in the Indenture.

So long as this Series 2022A Bond is registered in the name of a nominee of The Depository Trust Company ("DTC"), payment of principal, premium, if any, and interest on this Series 2022A Bond shall be made as provided in the Letter of Representations and surrender of this Series 2022A Bond shall not be required for payment of the redemption price upon a partial redemption of this Series 2022A Bond. Until termination of the book-entry only system pursuant to the Indenture, Series 2022A Bonds may only be registered in the name of DTC or its nominee.

This Series 2022A Bond is one of an authorized issue of the "School Lease Revenue Bonds (PACT Charter School Project), Series 2022A" (the "Series 2022A Bonds"), limited in aggregate principal amount to \$37,095,000. The Series 2022A Bonds are being issued simultaneously with the Issuer's Taxable Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022B (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds"), limited in aggregate principal amount to \$315,000. The Series 2022 Bonds are being used by PCS Building Company, a Minnesota nonprofit corporation (the "Company"), to (i) (a) currently refund the Issuer's outstanding Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2013A (the "Series 2013A Bonds"), the proceeds of which were used to advance refund the Issuer's Lease Revenue Bonds (PACT Charter School Project), Series 2004A (the "Series 2004 Bonds"), the proceeds of which were used to finance the acquisition, construction, and equipping of an approximately 74,000 square-foot school facility located at 7250 East Ramsey Parkway (the "Original School Facility") in the City of Ramsey, Minnesota (the "City"), which is currently leased to and operated by pact Charter School, a Minneosta nonprofit corporation and 501(c)(3) organization (the "Charter School"), as a public charter school for students in grades kindergarten through twelve, and (b) refinance a taxable note by the Company, the proceeds of which were used for certain improvements to the Original School Facility; (ii) finance certain renovations to the Elementary School Campus to equip it to serve grades Kindergarten through five (the Original School Facility as improved, the "Lower School Campus"); (iii) finance the acquisition of 18 acres of vacant land and the construction and equipping of an approximately 115,000 square-foot school facility located at or about 7633 161st Avenue NW (the "Upper School Campus" and, with the Elementary School Campus, the "School Facilities") in the City, which will be leased together and operated by the School as a public charter school for students in grades six through twelve (the "School Facilities"); (iv) fund required reserves; (v) finance capitalized interest on a portion of the Series 2022 Bonds; and (vi) pay the costs of issuing the Series 2022 Bonds (collectively, (i)-(vi) above shall be referred to as the "2022 Project").

The proceeds from the sale of the Series 2022 Bonds have been loaned by the Issuer to the Company, under the terms of a Loan Agreement, dated as of September 1, 2022 (as from time to time amended and supplemented, the "Loan Agreement"), between the Issuer and the Company, pursuant to which the Company is obligated to pay amounts which are sufficient to (i) pay the principal of, premium, if any, and interest on the Series 2022 Bonds as the same shall become due

in accordance with their terms and provisions and the terms and provisions of the Indenture; (ii) pay the fees and expenses of the Trustee and any paying agents properly payable under the Indenture; and (iii) pay certain expenses of the Issuer related to the issuance of the Series 2022 Bonds. The Company has granted a lien on the School Facilities to the Trustee, pursuant to a Mortgage, Security Document, and Assignment of Rents, dated as of September 1, 2022 (the "Mortgage"), between the Company and the Trustee, to secure the obligations under the Loan Agreement and the Indenture. Copies of the Loan Agreement and the Mortgage are on file at the designated corporate trust office of the Trustee, and reference is hereby made to the Loan Agreement and the Mortgage for the provisions thereof.

THIS SERIES 2022A BOND SHALL BE PAYABLE SOLELY FROM REVENUES DERIVED FROM THE SALE, OPERATION, OR LEASING OF THE SCHOOL FACILITIES AND THE PAYMENTS RECEIVED UNDER THE LOAN AGREEMENT AND, UPON AN EVENT OF DEFAULT, THE MORTGAGE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE STATE OF MINNESOTA (THE "STATE"), OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS SERIES 2022A BOND.

The Series 2022 Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust, dated as of September 1, 2022 (as from time to time amended and supplemented, the "Indenture"), between the Issuer and the Trustee, duly executed and delivered by the Issuer to the Trustee and pursuant to which all payments due from the Company to the Issuer under the Loan Agreement are assigned to the Trustee to secure the payment of the principal of, premium, if any, and interest on the Series 2022 Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Trustee, and the Bondholders of the Series 2022A Bonds and the terms upon which the Series 2022A Bonds are issued and secured.

The Series 2022A Bonds are issuable in fully registered form, in minimum denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof. This Series 2022A Bond is transferable by the Bondholder hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee in Saint Paul, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2022A Bond. Upon such transfer a new registered Series 2022A Bond or Series 2022A Bonds of the same series, date, interest rate, and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and the Trustee and any paying agents may deem and treat the Bondholder hereof as the absolute owner hereof (whether or not this Series 2022A Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Series 2022 Bonds shall be callable at any time upon the occurrence of any of the following: (1) the School Facilities or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 6.2(b) of the Loan Agreement is applicable; or (2) any

of the events specified in Section 10.2 of the Loan Agreement have occurred and upon the Company's exercising its option to prepay the loan pursuant to Section 10.1 of the Loan Agreement; or (3) upon acceleration because of an Event of Default. If called for redemption at any time for the reasons stated in clause (1), (2) or (3) above, the Series 2022 Bonds shall be subject to redemption by the Issuer at any time in whole or (in the case of redemption pursuant to Section 6.2(b) of the Loan Agreement) in such manner as the Company may direct, less than all of such Series 2022 Bonds of a single maturity to be selected randomly in such manner as the Trustee may determine, such redemption to be at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date.

The Series 2022 Bonds are subject to redemption by the Issuer at the option of the Company as set forth in Section 3.1(a) of the Indenture.

The Series 2022 Bonds are subject to mandatory sinking fund redemption prior to maturity, and are to be redeemed randomly or such other manner as the Trustee may determine, at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the principal amounts provided in the Indenture.

The Series 2022 Bonds shall be redeemed upon a Determination of Taxability, in whole but not in part, within thirty (30) days after the date of the Determination of Taxability with respect to the Series 2022A Bonds and at a redemption price equal to one hundred three percent (103%) of the principal amount of the Series 2022A Bonds and one hundred percent (100%) of the principal amount of the Series 2022B Bonds, plus accrued interest to the redemption date, plus on certain dates, a premium as set forth in the Indenture.

At the option of the Company, to be exercised by facsimile transmission not less than twenty-five (25) days next proceeding any sinking fund redemption date of a written certificate to the Trustee, the Company may (i) deliver to the Trustee for cancellation Series 2022 Bonds in an aggregate principal amount desired by the Company or (ii) specify a principal amount of Series 2022 Bonds which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Series 2022 Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations on such Series 2022 Bonds in chronological order. In the event the Company shall avail itself of the provisions of clause (i) above, the certificate required by the first sentence of this paragraph shall be accompanied by the Series 2022 Bonds to be canceled.

In the event any of the Series 2022 Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Series 2022 Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail at least twenty (20) days and not more than forty-five (45) days prior to the date fixed for redemption to the Bondholder of each Series 2022 Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Series 2022 Bond with respect to which no such failure has occurred. In the case of an optional redemption, the notice may state

(i) that it is conditioned upon the deposit of money, in an amount equal to effect the redemption, with the Trustee on or before the redemption date or (ii) that the Company retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded as hereinafter described. On or before the redemption date, funds sufficient to redeem such Series 2022 Bonds, including accrued interest thereon to the redemption date, shall be deposited with the Paying Agent. The Series 2022 Bonds thus called shall not, on or after the specified redemption date, bear any interest and, except for the purpose of payment, shall not be entitled to the lien of the Indenture. Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Company delivers a certificate of the Company to the Issuer and the trustee at least five (5) days prior to the redemption date instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Series 2022 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Company to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default, and the Trustee shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Series 2022 Bonds called for redemption and not so paid remain Outstanding.

The Series 2022 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), and pursuant to a resolution adopted by the City Council of the Issuer which authorized the execution and delivery of the Series 2022 Bonds, the Loan Agreement, and the Indenture.

The Bondholder of this Series 2022A Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an event of default as defined in the Indenture shall have occurred, and then only to the extent provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2022 Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

This Series 2022A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Series 2022A Bond to be executed in its name and on its behalf by the facsimile signatures of its authorized officer, as of the Original Issue Date.

**CITY OF RAMSEY, MINNESOTA**

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

\_\_\_\_\_

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Series 2022A Bond is one of the Series 2022A Bonds described in the within mentioned Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**  
as Trustee

By \_\_\_\_\_  
Responsible Agent

\_\_\_\_\_

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto the transferees indicated below the within Series 2022A Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Series 2022A Bond on the books kept for the registration thereof, with full power of substitution in the premises:

Transferee(s)

Principal Amount

Dated: \_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2022A Bond in every particular, without alteration or any change whatever.

Signature must be guaranteed by a member of a Medallion Signature Program:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

The Trustee will not effect transfer of this Series 2022A Bond unless the information concerning the transferee(s) requested below is provided.

Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Include information for all joint owners if the Series 2022A Bond is held by joint account)

Insert social security or  
other identifying number of  
Transferee

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT B**

**FORM OF SERIES 2022B BOND**

**UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF ANOKA  
CITY OF RAMSEY, MINNESOTA**

**TAXABLE CHARTER SCHOOL LEASE REVENUE REFUNDING BONDS  
(PACT CHARTER SCHOOL PROJECT)  
SERIES 2022B**

No. R-\_\_ \$\_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
_____%	____, 20__	____, 20__	

BONDHOLDER: CEDE & CO.

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Ramsey, Minnesota (the "Issuer"), a home rule charter city and political subdivision organized and existing under the Constitution and laws of the State of Minnesota, for value received, promises to pay from the sources and as hereinafter provided, to the Bondholder (named above), or registered assigns, on the Maturity Date (stated above), upon surrender hereof, the Principal Sum (stated above), and in like manner to pay interest on said Principal Sum from the Original Issue Date (stated above) at the Interest Rate per annum (stated above), semiannually on June 1 and December 1 of each year, commencing December 1, 2022 (or, if any such day is not a business day, then on the next business day thereafter with the same effect as if paid on such date), until said Principal Sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Series 2022B Bond prior to maturity may become applicable hereto; provided that during the occurrence and continuance of an Event of Default, this Series 2022B Bond shall bear interest at the Late Payment Rate. Both principal of and premium, if any, on this Series 2022B Bond are payable in lawful money of the United States of America at the designated corporate trust office of U.S. Bank Trust Company, National Association, a national banking association, in Saint Paul, Minnesota, as trustee (the "Trustee"), or at the duly designated office of any successor Trustee or paying agents appointed under the Indenture (hereinafter defined). Payment of interest on this Series 2022B Bond shall be made to the Bondholder hereof on the "Record Date" or "Special Record Date," as the case may be, and shall be paid by check or draft mailed to the person who shall be the Bondholder hereof on the Record Date or Special Record Date, as the case may be, at the address of the Bondholder as it then appears on the registration books of the Trustee. The Special Record Date shall be a date

for payment of interest, specified by the Trustee in the event of a default on the payment of interest. Interest shall also be payable by wire transfer to an account in a domestic financial institution designated in writing to the Trustee, on or before the appropriate record date, upon request by, and at the expense of, a Bondholder of at least \$1,000,000 in an initial aggregate principal amount of the Series 2022 Bonds (hereinafter defined). Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Indenture.

So long as this Series 2022B Bond is registered in the name of a nominee of The Depository Trust Company ("DTC"), payment of principal, premium, if any, and interest on this Series 2022B Bond shall be made as provided in the Letter of Representations and surrender of this Series 2022B Bond shall not be required for payment of the redemption price upon a partial redemption of this Series 2022B Bond. Until termination of the book-entry only system pursuant to the Indenture, Series 2022B Bonds may only be registered in the name of DTC or its nominee.

This Series 2022B Bond is one of an authorized issue of the "Taxable Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022B" (the "Series 2022B Bonds"), limited in aggregate principal amount to \$\_\_\_\_\_. The Series 2022B Bonds are being issued simultaneously with the Issuer's Charter School Lease Revenue Bonds (PACT Charter School Project), Series 2022A (the "Series 2022A Bonds," and together with the Series 2022B Bonds, the "Series 2022 Bonds"), limited in aggregate principal amount to \$\_\_\_\_\_. The Series 2022 Bonds are being used by PCS Building Company, a Minnesota nonprofit corporation (the "Company"), to (i) (a) currently refund the Issuer's outstanding Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2013A (the "Series 2013A Bonds"), the proceeds of which were used to advance refund the Issuer's Lease Revenue Bonds (PACT Charter School Project), Series 2004A (the "Series 2004 Bonds"), the proceeds of which were used to finance the acquisition, construction, and equipping of an approximately 74,000 square-foot school facility located at 7250 East Ramsey Parkway (the "Original School Facility") in the City of Ramsey, Minnesota (the "City"), which is currently leased to and operated by PACT Charter School, a Minnesota nonprofit corporation and 501(c)(3) organization (the "Charter School"), as a public charter school for students in grades kindergarten through twelve, and (b) refinance a taxable note by the Company, the proceeds of which were used for certain improvements to the Original School Facility; (ii) finance certain renovations to the Elementary School Campus to equip it to serve grades Kindergarten through five (the Original School Facility as improved, the "Lower School Campus"); (iii) finance the acquisition of 18 acres of vacant land and the construction and equipping of an approximately 115,000 square-foot school facility located at or about 7633 161st Avenue NW (the "Upper School Campus" and, with the Elementary School Campus, the "School Facilities") in the City, which will be leased together and operated by the School as a public charter school for students in grades six through twelve (the "School Facilities"); (iv) fund required reserves; (v) finance capitalized interest on a portion of the Series 2022 Bonds; and (vi) pay the costs of issuing the Series 2022 Bonds (collectively, (i)-(vi) above shall be referred to as the "2022 Project").

The proceeds from the sale of the Series 2022 Bonds have been loaned by the Issuer to the Company, under the terms of a Loan Agreement, dated as of September 1, 2022 (as from time to time amended and supplemented, the "Loan Agreement"), between the Issuer and the Company, pursuant to which the Company is obligated to pay amounts which are sufficient to (i) pay the principal of, premium, if any, and interest on the Series 2022 Bonds as the same shall become due

in accordance with their terms and provisions and the terms and provisions of the Indenture; (ii) pay the fees and expenses of the Trustee and any paying agents properly payable under the Indenture; and (iii) pay certain expenses of the Issuer related to the issuance of the Series 2022 Bonds. The Company has granted a lien on the School Facilities to the Trustee, pursuant to a Mortgage, Security Agreement, and Assignment of Rents, dated as of September 1, 2022 (the "Mortgage"), between the Company and the Trustee, to secure the obligations under the Loan Agreement and the Indenture. Copies of the Loan Agreement and the Mortgage are on file at the designated corporate trust office of the Trustee, and reference is hereby made to the Loan Agreement and the Mortgage for the provisions thereof.

THIS SERIES 2022B BOND SHALL BE PAYABLE SOLELY FROM REVENUES DERIVED FROM THE SALE, OPERATION, OR LEASING OF THE SCHOOL FACILITIES AND THE PAYMENTS RECEIVED UNDER THE LOAN AGREEMENT AND, UPON AN EVENT OF DEFAULT, THE MORTGAGE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE STATE OF MINNESOTA (THE "STATE"), OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS SERIES 2022B BOND.

The Series 2022 Bonds are all issued under and are equally and ratably secured by and entitled to the protection of an Indenture of Trust, dated as of September 1, 2022 (as from time to time amended and supplemented, the "Indenture"), between the Issuer and the Trustee, duly executed and delivered by the Issuer to the Trustee and pursuant to which all payments due from the Company to the Issuer under the Loan Agreement are assigned to the Trustee to secure the payment of the principal of, premium, if any, and interest on the Series 2022 Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Trustee, and the Bondholders of the Series 2022B Bonds and the terms upon which the Series 2022B Bonds are issued and secured.

The Series 2022B Bonds are issuable in fully registered form, in minimum denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof. This Series 2022B Bond is transferable by the Bondholder hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee in Saint Paul, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2022B Bond. Upon such transfer a new registered Series 2022B Bond or Series 2022B Bonds of the same series, date, interest rate, and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and the Trustee and any paying agents may deem and treat the Bondholder hereof as the absolute owner hereof (whether or not this Series 2022B Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Series 2022 Bonds shall be callable at any time upon the occurrence of any of the following: (1) the School Facilities or any portion thereof is damaged or destroyed or taken in a condemnation proceeding to which Section 6.2(b) of the Loan Agreement is applicable; or (2) any

of the events specified in Section 10.2 of the Loan Agreement have occurred and upon the Company's exercising its option to prepay the loan pursuant to Section 10.1 of the Loan Agreement; or (3) upon acceleration because of an Event of Default. If called for redemption at any time for the reasons stated in clause (1), (2) or (3) above, the Series 2022 Bonds shall be subject to redemption by the Issuer at any time in whole or (in the case of redemption pursuant to Section 6.2(b) of the Loan Agreement) in such manner as the Company may direct, less than all of such Series 2022 Bonds of a single maturity to be selected randomly in such manner as the Trustee may determine, such redemption to be at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date.

The Series 2022 Bonds are subject to redemption by the Issuer at the option of the Company as set forth in Section 3.1(a) of the Indenture.

The Series 2022 Bonds are subject to mandatory sinking fund redemption prior to maturity, and are to be redeemed randomly or such other manner as the Trustee may determine, at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the principal amounts provided in the Indenture.

The Series 2022 Bonds shall be redeemed upon a Determination of Taxability, in whole but not in part, within thirty (30) days after the date of the Determination of Taxability with respect to the Series 2022A Bonds and at a redemption price equal to one hundred three percent (103%) of the principal amount of the Series 2022A Bonds and one hundred percent (100%) of the principal amount of the Series 2022B Bonds, plus accrued interest to the redemption date, plus on certain dates, a premium as set forth in the Indenture.

At the option of the Company, to be exercised by facsimile transmission not less than twenty-five (25) days next proceeding any sinking fund redemption date of a written certificate to the Trustee, the Company may (i) deliver to the Trustee for cancellation Series 2022 Bonds in an aggregate principal amount desired by the Company or (ii) specify a principal amount of Series 2022 Bonds which, prior to said date, have been redeemed (otherwise than through mandatory redemption) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Series 2022 Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount against the obligation of the Issuer on such mandatory sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations on such Series 2022 Bonds in chronological order. In the event the Company shall avail itself of the provisions of clause (i) above, the certificate required by the first sentence of this paragraph shall be accompanied by the Series 2022 Bonds to be canceled.

In the event any of the Series 2022 Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Series 2022 Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail at least twenty (20) days and not more than forty-five (45) days prior to the date fixed for redemption to the Bondholder of each Series 2022 Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceeding for the redemption of any Series 2022 Bond with respect to which no such failure has occurred. In the case of an optional redemption, the notice may state

(i) that it is conditioned upon the deposit of money, in an amount equal to effect the redemption, with the Trustee on or before the redemption date or (ii) that the Company retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded as hereinafter described. On or before the redemption date, funds sufficient to redeem such Series 2022 Bonds, including accrued interest thereon to the redemption date, shall be deposited with the Paying Agent. The Series 2022 Bonds thus called shall not, on or after the specified redemption date, bear any interest and, except for the purpose of payment, shall not be entitled to the lien of the Indenture. Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Company delivers a certificate of the Company to the Issuer and the trustee at least five (5) days prior to the redemption date instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Series 2022 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Company to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default, and the Trustee shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Series 2022 Bonds called for redemption and not so paid remain Outstanding.

The Series 2022 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), and pursuant to a resolution adopted by the City Council of the Issuer which authorized the execution and delivery of the Series 2022 Bonds, the Loan Agreement, and the Indenture.

The Bondholder of this Series 2022B Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an event of default as defined in the Indenture shall have occurred, and then only to the extent provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2022 Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

This Series 2022B Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Series 2022B Bond to be executed in its name and on its behalf by the facsimile signatures of its authorized officer, as of the Original Issue Date.

**CITY OF RAMSEY, MINNESOTA**

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

\_\_\_\_\_

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Series 2022B Bond is one of the Series 2022B Bonds described in the within mentioned Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**  
as Trustee

By \_\_\_\_\_  
Responsible Agent

\_\_\_\_\_

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto the transferees indicated below the within Series 2022B Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Series 2022B Bond on the books kept for the registration thereof, with full power of substitution in the premises:

Transferee(s)

Principal Amount

Dated: \_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series 2022B Bond in every particular, without alteration or any change whatever.

Signature must be guaranteed by a member of a Medallion Signature Program:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

The Trustee will not effect transfer of this Series 2022B Bond unless the information concerning the transferee(s) requested below is provided.

Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Include information for all joint owners if the Series 2022B Bond is held by joint account)

Insert social security or  
other identifying number of  
Transferee

\_\_\_\_\_  
\_\_\_\_\_

## EXHIBIT C

### FORM OF 2022 PROJECT FUND REQUISITION

#### 2022 PROJECT FUND REQUISITION

U.S. Bank Trust Company, National Association  
Mail Code EP-MN-WS3C  
60 Livingston Avenue  
St. Paul, MN 55107  
Attn: Christine Robinette  
Email: Christine.robinette@usbank.com

The undersigned, being a duly qualified representative of PCS Building Company, a Minnesota nonprofit corporation (the "Company"), and a duly qualified representative of PACT Charter School, a Minnesota nonprofit corporation and public charter school (the "School"), do hereby certify pursuant to Section 5.4 of the Indenture (defined below) and Section 5.6 of the Loan Agreement, dated as of September 1, 2022 (the "Loan Agreement"), between the City of Ramsey, Minnesota and the Company as follows:

1. We have read Section 5.4 of the Indenture and Section 5.6 of the Loan Agreement and the definitions in the Indenture of Trust, dated as of September 1, 2022 (the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association (the "Trustee"), relating thereto. All capitalized terms used in this Request have the meaning given to them in the Indenture. This Request is being delivered to the Trustee in accordance with said Section 5.4 of the Indenture and Section 5.6 of the Loan Agreement.

2. The amount and nature and the name and address of the payee of each item of Project Costs paid by and requested to be reimbursed to the Company is attached hereto as Schedule A, together with a canceled check or receipt for such payment.

3. The amount and nature and the name and address of the payee of each item of Project Costs due and payable by the Company, and requested to be paid to a person other than the Company is attached hereto as Schedule B, along with a statement from the payee.

4. Each item of cost for which payment or reimbursement is requested is or was necessary in connection with the 2022 Project, qualifies as Project Costs under the Loan Agreement and was made or incurred in accordance with the Plans and Specifications currently in effect for the 2022 Project.

5. There has not been filed with or served upon the Company or the Charter School any notice of any lien, right to a lien or attachment upon or claim affecting the right of any such Person to receive payment of the amount stated in this Request that has not been released or will not be released simultaneously with the payment of such obligation, except for liens then being diligently contested in good faith by the Company in compliance with Section 4.4 of the Loan Agreement.

6. No item of cost requested to be paid or reimbursed by this Request has formed the basis for any previous payment from the 2022 Project Fund.

7. No item of cost requested to be paid or reimbursed by this Request constitutes Issuance Costs.

8. The balance remaining in the 2022 Project Fund, after disbursement of money therefrom in accordance with this Request, together with any other money available to the Company for such purpose, will be sufficient to pay the remaining costs of acquiring, renovating, constructing and equipping the 2022 Project in accordance with the Plans and Specifications.

9. No default by the Company under the Loan Agreement, the Disbursing Agreement, the Mortgage, the Tax Certificate, the Subordination, Non-Disturbance and Attornment Agreement, or the Assignment of Lease has occurred that has not been cured.

10. No default by the Charter School under the Pledge Agreement, the Disbursing Agreement, the Tax Certificate, the Subordination, Non-Disturbance and Attornment Agreement, or the Lease has occurred that has not been cured.

11. All representations and warranties made by the Company in the Company Documents are true and correct on and as of the date of this Request with the same effect as if made on this date, and the Company has complied with all of the requirements of the Disbursing Agreement.

12. All representations and warranties made by the Charter School in the Pledge Agreement, the Disbursing Agreement, the Bond Purchase Agreement, the Tax Certificate, and the Lease are true and correct on and as of the date of this Request with the same effect as if made on this date, and the Charter School has complied with all of the requirements of the Disbursing Agreement.

13. The 2022 Project has not been materially injured or damaged by fire or other casualty in a manner which, if not repaired or replaced, would materially impair the ability of the Company to meet its obligations under the Loan Agreement. The representations included in this paragraph need not be made by the Company if the Title Insurer has received assurance as to the availability of insurance proceeds and/or funds supplied by the Company sufficient to effect the restoration of the 2022 Project on or before the Completion Date.

14. In executing and delivering this requisition, the Company is relying on the representations of the Charter School.

You are hereby requested to disburse from the 2022 Project Fund the amounts shown on Schedules A and B and to make payment to the Persons entitled to receipt thereof as shown on said schedules.

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

**PCS BUILDING COMPANY**

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

**PACT CHARTER SCHOOL**

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

**[With respect to construction draws only]**  
Independent Architect's Certification:

*The undersigned \_\_\_\_\_ certifies that that each item of cost for which payment is requested herein constitutes a Project Cost incurred pursuant to the Plans and Specifications.*

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

\_\_\_\_\_

**SCHEDULE A**  
**EXPENSES INCURRED**

Amount

Payee

Description of Expenses

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**SCHEDULE B**  
**REQUEST FOR CONTRACTOR DRAW**

Amount

Payee

Description of Expenses

**EXHIBIT D**

**FORM OF CAPITAL REPAIR AND REPLACEMENT FUND REQUISITION**

**\$37,095,000**  
**City of Ramsey, Minnesota**  
**Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022A**

**\$315,000**  
**City of Ramsey, Minnesota**  
**Taxable Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022B**

**CAPITAL REPAIR AND REPLACEMENT FUND REQUISITION**

To: U.S. Bank Trust Company, National Association  
Mail Code EP-MN-WS3C  
60 Livingston Avenue  
St. Paul, MN 55107  
Attn: Christine Robinette  
Email: [Christine.robinette@usbank.com](mailto:Christine.robinette@usbank.com)

The undersigned, an authorized representative of PCS Building Company, a Minnesota nonprofit corporation (the "Company"), hereby requests a disbursement of \$\_\_\_\_\_ from the Capital Repair and Replacement Fund established under the Indenture of Trust, dated as of September 1, 2022 (the "Indenture"), between the City of Ramsey, Minnesota and U.S. Bank Trust Company, National Association, as trustee, with respect to the above-referenced bonds, and certifies to the Trustee that such amount is required to (i) reimburse the Company for prior repairs or improvements or (ii) pay for improvements of the School Facilities as allowed under the Loan Agreement and Indenture. The undersigned acknowledges and agrees that, subsequent to such disbursement, the Capital Repair and Replacement Fund shall be replenished in accordance with the requirements of Section 5.10 of the Indenture.

Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Indenture. In executing and delivering this requisition, the Company is relying on the representations of the Charter School.

Dated: \_\_\_\_\_

**PCS BUILDING COMPANY**

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

**PACT CHARTER SCHOOL**

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



**EXHIBIT E**

**FORM OF EXPENSE FUND REQUISITION**

**\$37,095,000**  
**City of Ramsey, Minnesota**  
**Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022A**

**\$315,000**  
**City of Ramsey, Minnesota**  
**Taxable Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022B**

**EXPENSE FUND REQUISITION**

To: U.S. Bank Trust Company, National Association  
Mail Code EP-MN-WS3C  
60 Livingston Avenue  
St. Paul, MN 55107  
Attn: Christine Robinette  
Email: Christine.Robinette@usbank.com

Pursuant to Section 4.11 of the Loan Agreement and Section 5.11 of the Indenture of Trust, dated as of September 1, 2022 (the "Indenture"), between the City of Ramsey, Minnesota and U.S. Bank Trust Company, National Association, as trustee, please disburse \$\_\_\_\_\_ from the Expense Fund for the payment of the \_\_\_\_\_ due in connection with the above-referenced bonds to the following account:

Bank Name:  
ABA:  
Account Number:  
Account Name:

The obligation(s) has (have) been properly incurred and is (are) a proper charge against the Expense Fund and has (have) not been the basis of any previous withdrawal.

Capitalized terms used herein that are otherwise not defined shall have the meanings provided in the Indenture. In executing and delivering this requisition, the Company is relying on the representations of the Charter School.

Dated: \_\_\_\_\_

**PCS BUILDING COMPANY**

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

**PACT CHARTER SCHOOL**

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

**EXHIBIT F**

**FORM OF COMPLETION CERTIFICATE**

**\$37,095,000**  
**City of Ramsey, Minnesota**  
**Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022A**

**\$315,000**  
**City of Ramsey, Minnesota**  
**Taxable Charter School Lease Revenue**  
**Refunding Bonds**  
**(PACT Charter School Project)**  
**Series 2022B**

We, THE UNDERSIGNED, being the authorized representative of PCS Building Company (the "Company") and \_\_\_\_\_ of the Company, hereby provide this Company Completion Certificate pursuant to Section 5.4 of the Indenture, dated September 1, 2022 (the "Indenture"), between the City of Ramsey, Minnesota (the "Issuer") and U.S. Bank Trust Company, National Association, as trustee, relating to the Issuer's \$37,095,000 Charter School Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2022A and the Issuer's \$315,000 Taxable Charter School Lease Revenue Refunding Bonds (PACT Charter School Project), Series 2022B, hereby certify for and on behalf of the Company as follows:

The terms defined in the Indenture shall have the same meaning when used herein unless the context or use thereof indicates another or different meaning or intent.

1. The [Elementary School Campus] [Upper School Campus] has been completed in accordance with the Plans and Specifications then in effect;
2. All Project Costs relating thereto have been paid or are due and payable in accordance with the Company Requests;
3. All permits necessary for the occupancy and use of the [Elementary School Campus] [Upper School Campus] have been obtained and are in full force and effect;
4. The [Elementary School Campus] [Upper School Campus] conforms to all applicable zoning, planning and building regulations and is suitable and sufficient for efficient operation for the purpose for which the [Elementary School Campus] [Upper School Campus] will be used; and
5. This Company Certificate is given without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, we have hereunder set our hands as duly authorized officers of the Company this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**PCS BUILDING COMPANY**

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

ATTEST:

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