

AMENDMENT
TO
DEVELOPMENT AGREEMENT

This Amendment is entered into by and between the LOS ANGELES UNIFIED SCHOOL DISTRICT, a public school district duly organized and existing under the laws of the State of California ("LAUSD"), and YPI CHARTER SCHOOLS INC., a California a California nonprofit public benefit corporation, and the operator of the Monseñor Oscar Romero Charter School ("MORCS"), a charter school duly existing under the laws of the State of California (collectively, jointly and severally "Developer"), with reference to the following facts,

RECITALS:

A. Developer and LAUSD entered into that certain Development Agreement dated May 11, 2016 ("Development Agreement").

B. LAUSD owns that certain real property at 1157 S. Berendo Street, City of Los Angeles, County of Los Angeles, State of California, as more particularly depicted on Exhibit A-1 and A-2 of the Development Agreement dated May 11, 2016 ("Berendo MS").

C. Developer intends to construct a new 6-8 grade charter school ("Project") on a portion of the Land, pursuant to the terms and conditions of that certain Development Agreement dated May 11, 2016.

D. On November 18, 2014, the LAUSD Board of Education approved a project (Colin #10366484) at Berendo MS to address a deteriorating retaining wall along 11th Street, which is more accurately described in Exhibit K, attached hereto and incorporated herein by reference, and the construction of a replacement retaining wall ("Retaining Wall Project"). The Retaining Wall Project is funded with LAUSD Bond Program funds earmarked specifically for critical school repair and safety improvements to school building components.

E. The Retaining Wall Project is adjacent to the new MORCS Project. Additionally, Developer intends to begin construction of the MORCS Project in the 1st Quarter of 2017.

F. On September 9, 2016, the Developer's project team and LAUSD met at Berendo MS to review the coordination of the Project and the Retaining Wall Project. Based on this meeting, it was determined it would be impractical for LAUSD to repair the retaining wall during the MORCS construction. Additionally, it was determined at the meeting that it may be mutually beneficial for Developer to extend the construction of its retaining wall to encompass the Retaining Wall Project.

NOW, THEREFORE, for good consideration had and received and the terms and conditions contained in the Development Agreement, Developer and LAUSD hereby agree as follows:

1. Retaining Wall Project. Developer shall prepare a design and include as a bid alternative during the bidding of the MORCS Project, the inclusion of the Retaining Wall

Project, described in **Exhibit K**, consisting of approximately 130 linear feet from the end of the new retaining wall as shown in the MORCS DSA approved plans dated March 10, 2015, and the most western point.

2. LAUSD Review and Approval. LAUSD shall provide written approval of the Design fee proposal within one (1) working day from its receipt from Developer. Additionally, LAUSD shall provide written approval of the retaining wall design for the Retaining Wall Project within two (2) working days from receipt of the complete design from Developer. The term “working day” or “working days” shall mean that time period occurring from 8:00 a.m. to 5:00 p.m., Monday thru Friday, and excluding any day that LAUSD headquarters at 333 So. Beaudry Ave, Los Angeles, is not open for regular business.

3. LAUSD approval of Bid Alternate. LAUSD shall provide written approval within three (3) working days of its receipt of the bid alternate amount for the Retaining Wall Project. LAUSD reserves the right to reject the bid alternate amount and, upon rejection, LAUSD shall be required to reimburse Developer for the previously approved design fees for the preparation of the bid alternate, and for legal fees for the review of this Amendment, and this Amendment shall be deemed terminated and the parties shall have no further rights or obligations to one another under this Amendment. Upon receipt of the design fees Developer shall deliver to LAUSD the design of the Retaining Wall Project and LAUSD shall thereafter be considered the owner of said design and may use such as it deems appropriate.

If LAUSD accepts the bid alternate amount for the Retaining Wall Project, LAUSD shall ensure that budget is allocated for the bid alternate amount plus an additional 10% for potential change orders for the Retaining Wall Project (“RWP Funds”). Any change orders to the Retaining Wall Project shall require the prior written approval of LAUSD. LAUSD shall approve or reject a change order for the Retaining Wall Project within two (2) working days of its receipt from Developer. If the change order is disapproved, Developer shall have the right to appeal the change order request to a third party arbitrator, mutually agreed upon by LAUSD and Developer, for the final approval or rejection of the change orders. LAUSD understands that change orders for the Retaining Wall Project may exceed 10% of the bid alternate amount.

Developer shall submit to LAUSD an invoice or invoices for payment upon LAUSD’s acceptance of the bid alternate and upon approval LAUSD shall submit for disbursement from the RWP Funds which may take approximately (4) four weeks for the disbursement to occur. The invoice(s) shall include design and permitting fees, and the amount of the bid alternate. RWP Funds are characterized differently than Augmentation Grant Award funds and may be utilized as needed. A schedule of values shall be provided at the beginning of the Retaining Wall Project construction and billing shall coincide with said progress.

4. Construction. Developer shall complete the Retaining Wall Project utilizing new materials within six months of the Notice to Proceed with Construction (NTP2) for the Project.

5. Conflict; Definition. In the event of any conflict between the Development Agreement and this Amendment, this Amendment shall supersede on the issues addressed herein. Otherwise the terms and conditions of the Development Agreement shall apply to the

Retaining Wall Project. Any capitalized term or phrase contained herein shall have the same meaning as set forth in the Development Agreement.

6. Effective Date. The Effective Date of this Amendment shall be the last date set forth below.

IN WITNESS WHEREOF, LAUSD and Developer have executed this Amendment on the dates set forth adjacent to their respective signatures.

LAUSD:

LOS ANGELES UNIFIED SCHOOL DISTRICT,
a school district duly formed and existing under the
laws of the State of California

By _____
Name _____
Title _____
Date: _____

Developer:

YPI CHARTER SCHOOLS, INC.,
a California nonprofit corporation duly
formed and existing under the laws of the
State of California

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT K

Description of Retaining Wall Project