

American Capital

2015 Ogden Avenue, Suite 400
Lisle, IL 60532
(630) 512-0066
Fax (630) 512-0070

September 4, 2024

PLEASE RETURN ALL ORIGINAL SIGNED DOCUMENTS TO THE ADDRESS ABOVE.

PLEASE PRINT SINGLE SIDED!

Lakenna Booker
Memphis Merit Academy, Inc.
4075 American Way
Memphis, TN 38118

Dear Lakenna:

Thank you for choosing American Capital for your equipment leasing needs. Please have the authorized person sign the following documents for Schedule A and return all copies to my attention. For verification of original documents, please execute in blue ink:

Invoice for 1st payment: Make payable to KS State Bank and return with the signed documents.

Government Obligation Contract: Authorized signer signs on page 4 where indicated. An attest signature is required.

Exhibit A: for review, no signature required. Please print the equipment location(s) at the bottom.

Exhibit B: Authorized signer signs at the bottom where indicated.

Exhibit C: Please leave top portion blank. Authorized signer signs at the bottom.

Exhibit D: Authorized signer signs where indicated.

Exhibit E: Complete vendor information, Equipment and cost

Notice of Assignment: Authorized signer signs at the bottom where indicated.

Insurance Requirements: Complete the information at the bottom. Please forward a copy to the insurance company.

Debit Authorization: preferred – Optional

Credit Application: Authorized signer signs & dates at the bottom where indicated.

Articles of Incorporation: Please include your Articles of Incorporation with the document package

Thank you for your prompt attention in this matter. If you have any questions, please do not hesitate to call.

Sincerely,

Julie Bevan
(630)512-0066 ext. 120
jbevan@amcapfinance.com

INVOICE

DATE SENT: 08-28-2024

BILL TO:

MEMPHIS MERIT ACADEMY, INC.
ATTN: ACCOUNTS PAYABLE
4075 AMERICAN WAY
MEMPHIS, TENNESSEE 38118

REMIT TO:

KS STATEBANK
GOVERNMENT FINANCE DEPARTMENT
PO BOX 1608
MANHATTAN, KS 66505
FOR INQUIRIES: (630) 512-0066

NOTE: The address listed above is for payments only

ACCOUNT NUMBER	INVOICE NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3363191	63191-10-2024	At Closing	At Closing	\$356.30

DESCRIPTION	AMOUNT
EQUIPMENT FINANCE AGREEMENT DATED AS OF OCTOBER 1, 2024 SEVENTY FIVE (75) HP CHROMEBOOK 11 G9 LAPTOPS AND THREE (3) TRIPP LITE CHARGING CARTS <i>Additional interest will be assessed on any payment received after the due date.</i>	PAYMENT AMOUNT: \$356.30
	\$356.30
	TOTAL DUE



EQUIPMENT FINANCE AGREEMENT

Debtor

Memphis Merit Academy, Inc.
4075 American Way
Memphis, Tennessee 38118
Federal ID#: 82-2828471

Creditor

American Capital Financial Services, Inc.
2015 Ogden Avenue, Suite 400
Lisle, Illinois 60532
Federal ID#: 36-3735142

Dated as of October 1, 2024

This Equipment Finance Agreement dated as of the date listed above is between Creditor and Debtor listed directly above. Creditor is entering into this Equipment Finance Agreement with Debtor so that Debtor may purchase the Equipment described on Exhibit A. The Equipment Finance Agreement is subject to the terms and conditions set forth directly below.

I. Definitions

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Creditor all of which relate to the financing of additional Equipment.

"Agreement" means this Equipment Finance Agreement and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Creditor prior to execution of this Agreement.

"Agreement Term" means the Original Term and all Renewal Terms.

"Commencement Date" is the date when Debtor's obligation to pay Finance Payments begins.

"Creditor" means the entity originally listed above as Creditor or any of its assignees.

"Debtor" means the entity listed above as Debtor.

"Equipment" means all of the items of Equipment listed on Exhibit A and all replacements, restorations, modifications and improvements.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Finance Payments" means the payments Debtor is required to make under this Agreement as set forth on Exhibit B.

"Original Term" means the period from the Commencement Date until the end of the budget year of Debtor.

"Partial Prepayment Date" means the first Finance Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Debtor has accepted all the Equipment and all amounts have been disbursed from the Vendor Payable Account to pay for the Equipment.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Debtor, subject to the security interest granted to and retained by Creditor as set forth in this Agreement, and otherwise incurred in connection with the financing of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Debtor's Budget Year.

"State" means the state in which Debtor is located.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Agreement.

II. Debtor Warranties

Section 2.01 Debtor represents, warrants and covenants as follows for the benefit of Creditor or its assignees:

- (a) Debtor is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Debtor has followed all proper procedures of its governing body in executing this Agreement. The Officer of Debtor executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Debtor in accordance with its terms.
- (b) Debtor has complied with all statutory laws and regulations which may be applicable to the execution of this Agreement.
- (c) Debtor owns the Equipment and any additional collateral free and clear of any liens, and Debtor has not and will not, during the Agreement Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment or additional collateral.
- (d) Debtor warrants, as applicable, the purchase of any telecommunications and video surveillance services or equipment financed hereunder complies with 2 CFR § 200.216 and 2 CFR § 200.471.
- (e) Debtor warrants that it understands and has complied with 2 CFR § 200.322 in relation to domestic preferences for procurements, as applicable.
- (f) Debtor agrees to cooperate in providing all necessary information to facilitate Creditor's compliance with Customer Due Diligence Requirements for Financial Institutions as published by The Financial Crimes Enforcement Network ("CDD Rule"). Debtor agrees to notify Creditor of any changes to the required information, including but not limited to, changes in ownership or control of Debtor as defined in the CDD Rule, during the Original Term and any Renewal Term.

III. Acquisition of Equipment, Finance Payments and the Purchase Option Price

Section 3.01 Acquisition, Installation and Acceptance. Debtor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Creditor shall have no liability for any delay in delivery or failure by the supplier to deliver any Equipment or to fill any purchase order. Debtor will pay or cause the supplier to pay all transportation, packing, taxes, duties, insurance, installation, testing and other charges in connection with the delivery, installation and use of the Equipment. As soon as practicable after the receipt of the Equipment, Debtor shall furnish Creditor with a Payment Request and Equipment Acceptance Form. The Payment Request and Equipment Acceptance Form must be signed by the same authorized individual(s) who signed the Signature Card, Exhibit D. Regardless of whether Debtor has furnished a Payment Request and Equipment Acceptance Form pursuant to this Section, by making a Finance Payment after its receipt of the Equipment pursuant to this Agreement, Debtor shall be deemed to have accepted the Equipment on the date of such Finance Payment for purposes of this Agreement. All Finance Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Finance Payments as they become due as shown on the Finance Payment Schedule attached as Exhibit B hereto.

Section 3.02 Finance Payments. Debtor shall pay Finance Payments exclusively to Creditor or its assignees in lawful, legally available money of the United States of America. The Finance Payments shall be sent to the location specified by the Creditor or its assignees. The amount and date of each Finance Payment shall be paid as set forth on Exhibit B. Creditor shall have the option to charge interest at the highest lawful rate on any Finance Payment received later than the due date for the number of days that the Finance Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Finance Payment(s) were late. Creditor shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Finance Payment that is past due. The Finance Payments will be payable without notice or demand at the time and in the Amounts shown on Exhibit B. Furthermore, Debtor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH.

Section 3.03 Finance Payments Unconditional. THE OBLIGATIONS OF DEBTOR TO MAKE FINANCE PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE. Debtor understands and agrees that neither the manufacturer, seller or supplier of any Equipment, nor any salesman or other agent of any such manufacturer, seller or supplier, is an agent of Creditor. No salesman or agent of the manufacturer, seller or supplier of any Equipment is authorized to waive or alter any term or condition of this Agreement, and no representation as to Equipment or any other matter by the manufacturer, seller or supplier of any Equipment shall in any way affect Debtor's duty to pay the Finance Payments and perform its other obligations as set forth in this Agreement.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Debtor shall have the option to pay, in addition to the Finance Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Debtor on the Finance Payment date and no partial prepayments are allowed. If Debtor chooses this option and pays the Purchase Option Price to Creditor then Creditor will transfer any and all of its rights, title and interest in the Equipment to Debtor.

Section 3.05 Finance Term. The Finance Term of the Agreement shall be the Original Term and all Renewal Terms until all the Finance Payments are paid as set forth on Exhibit B, except as provided under Section 9.01 below.

Section 3.06 Disclaimer of Warranties. CREDITOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. CREDITOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY DEBTOR.

IV. Appropriation of Money

Section 4.01 Appropriation. Debtor shall be obligated to appropriate sufficient money to make all the Finance Payments for the Original Term and each successive Renewal Term as each payment comes due. If Debtor fails to make an appropriation of money to make any Finance Payment, then an Event of Default will be deemed to have occurred as set forth under Section IX below.

V. Insurance, Damage, Insufficiency of Proceeds, Indemnification

Section 5.01 Insurance. Debtor shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Debtor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Debtor is required to make Finance Payments. Debtor shall provide Creditor with a Certificate of Insurance which lists the Creditor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Debtor shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Creditor in an amount at least equal to the then applicable Purchase Price of the Equipment. Alternatively, Debtor may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Creditor from liability and property damage in any form and amount satisfactory to Creditor.
- (c) Debtor may self-insure against the casualty risks and liability risks described above. If Debtor chooses this option, Debtor must furnish Creditor with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Creditor and its assignees are named additional insureds and loss payees and that all losses are payable to Debtor and Creditor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Creditor or its assignees. Debtor shall furnish to Creditor certificates evidencing such coverage throughout the Agreement Term.

Section 5.02 Damage to or Destruction of Equipment. Debtor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Debtor will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Creditor, Debtor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Debtor shall, at the option of Creditor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency to the Creditor.

Section 5.04 Reimbursement. To the extent permitted by law, Debtor shall protect, hold harmless and reimburse Creditor and its assignees from all liability, claims, damages and costs incurred by Creditor and its assignees which arose out of installation, operation, possession, storage, or use of any item of the Equipment. This would include all expenses, including attorney's fees, incurred by Creditor or its assignees in defending any claims or actions filed against them as well as any judgment entered against Creditor or its assignees.

Section 5.05 Debtor's Negligence. Debtor assumes all risks and liabilities for loss or damage to any Equipment, injury to or death of any person or damage to any property, and any cost recovery for removal and remediation actions related to the release or threatened release of hazardous substances under Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by the Debtor.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Debtor when Debtor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Creditor in the event Debtor defaults under Section 9.01. If this event occurs, Debtor shall execute and deliver to Creditor such documents as Creditor may request to evidence the passage of legal title to the Equipment to Creditor.

Section 6.02 Security Interest. To secure the payment of all Debtor's obligations under this Agreement, as well as all other obligations, debts and liabilities, whether now existing or subsequently created, Debtor hereby grants to Creditor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Debtor agrees that any other Equipment securing any obligation(s) to Creditor, whether offered prior to or subsequent hereto, secures all obligations, debts and liabilities of every kind and character, plus interest thereon, whether now existing or hereafter arising. Debtor agrees that any Equipment listed on Exhibit A will remain personal property and will not become a fixture even if attached to real property. The security interest established by this section includes not only additions, attachments, repairs and replacements, to the Equipment but also all proceeds therefrom. Debtor authorizes Creditor to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder.

VII. Assignment

Section 7.01 Assignment by Creditor. All of Creditor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Creditor at any time without the consent of Debtor. No such assignment shall be effective as against Debtor until the assignor shall have filed with Debtor written notice of assignment identifying the assignee. Debtor shall pay all Finance Payments due hereunder relating to such Equipment to or at the direction of Creditor or the assignee named in the notice of assignment. Debtor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Debtor. None of Debtor's right, title and interest under this Agreement and in the Equipment may be assigned by Debtor unless Creditor approves of such assignment in writing before such assignment occurs.

VIII. Maintenance of Equipment

Section 8.01 Maintenance. Debtor shall keep the Equipment in good repair and working order. Creditor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Debtor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Debtor, its employees or its agents. Debtor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. Debtor shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. Debtor agrees that Creditor or its Assignee may execute any additional documents including financing statements, affidavits, notices and similar instruments, for an on behalf of Debtor which Creditor deems necessary or appropriate to protect its interest in the Equipment and in this Agreement. If the Equipment includes any titled vehicles or any other Equipment that carries a title, then the Debtor shall be responsible for obtaining such titles and also for ensuring that Creditor is listed as first Lienholder on all of the titles. The Equipment is and shall at all times be and remain personal property. Debtor shall allow Creditor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Debtor to pay any Finance Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Creditor that such payment must be made. If Debtor continues to fail to pay any payment after such period, then Creditor may, but will not be obligated to, make such payments and charge Debtor for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Debtor to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Debtor by Creditor, unless Creditor agrees in writing to an extension of time. Creditor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Debtor. Subsection (c) does not apply to Finance Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Debtor in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Debtor's intent and which materially adversely affects the rights or security of Creditor under this Agreement.
- (e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Creditor.
- (f) Debtor admits in writing its inability to pay its obligations. Debtor defaults on one or more of its other obligations. Debtor applies or consents to the appointment of a receiver or a custodian to manage its affairs. Debtor makes a general assignment for the benefit of creditors.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Creditor shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Agreement, Creditor may declare all Finance Payments and other amounts payable by Debtor hereunder to the end of this Agreement to be immediately due and payable.

- (b) With or without terminating this Agreement, Creditor may require Debtor at Debtor's expense to redeliver any or all of the Equipment to Creditor to a location specified by Creditor. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Debtor fails to deliver the Equipment, Creditor may enter the premises where the Equipment is located and take possession of the Equipment and charge Debtor for cost incurred. Debtor will be liable for any damage to the Equipment caused by Debtor or its employees or agents. Creditor shall be able to sell the Equipment and apply the proceeds towards the then applicable Purchase Option Price and Debtor shall be liable for any deficiency.
- (c) Creditor may retain all amounts credited to the Vendor Payable Account and Debtor shall have no further interest therein.
- (d) Creditor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Debtor shall be responsible to Creditor for all costs incurred by Creditor in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Creditor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

X. Vendor Payable Account

Section 10.01 Establishment of Vendor Payable Account. On the date that the Creditor executed this Agreement, which is on or after the date that the Debtor executes this Agreement, Creditor agrees to (i) make available to Debtor an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, no-interest bearing account (the "Vendor Payable Account"), as agent for Debtor's account, with a financial institution that Creditor selects that is acceptable to Debtor (including Creditor or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Debtor hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Debtor's delivery to Creditor of a Payment Request and Equipment Acceptance Form in the form set forth in Exhibit C attached hereto, Debtor authorizes Creditor to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Debtor. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Debtor. The authorized individual or individuals designated by the Debtor must sign the Signature Card, Exhibit D, which will be kept in the possession of the Creditor.

Section 10.02 Down Payment. Prior to the disbursement of any funds from the Vendor Payable Account, the Debtor must either (1) deposit all the down payment funds that the Debtor has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Debtor must provide written verification to the satisfaction of the Creditor that all the down payment funds Debtor has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Debtor are the down payment funds that were represented to the Creditor at the time this transaction was submitted for credit approval by the Debtor to the Creditor.

Section 10.03 Disbursement upon Default. If an Event of Default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Creditor and Debtor will have no interest therein.

Section 10.04 Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall, at Creditor's sole discretion, either a) be returned to Debtor, or b) be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 10.05 Recalculation of Finance Payments. Should Creditor decide to apply the Surplus Amount to the then applicable Purchase Option Price as provided in Section 10.04 above, each Contract Payment thereafter shall be reduced by an amount calculated by Creditor based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Creditor shall provide to Debtor a revised Exhibit B to this Contract, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Contract. Notwithstanding any other provision of this Section 10, this Contract shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Debtor as provided in this Contract, and the portion of the principal component of Contract Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Contract, including revised Exhibit B hereto which shall be binding and conclusive upon Creditor and Debtor.

XI. Miscellaneous

Section 11.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02 Binding Effect. Debtor acknowledges this Agreement is not binding upon the Creditor or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Creditor's satisfaction, and Creditor has executed the Agreement. Thereafter, this Agreement shall inure to the benefit of and shall be binding upon Creditor and Debtor and their respective successors and assigns.

Section 11.03 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04 Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Creditor and Debtor. Furthermore, Creditor reserves the right to directly charge or amortize into the remaining balance due from Debtor, a reasonable fee, to be determined at that time, as compensation to Creditor for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Debtor.

Section 11.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06 Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.07 Master Equipment Finance Agreement. This Agreement can be utilized as a Master Equipment Finance Agreement. This means that the Creditor and the Debtor may agree to the financing of additional Equipment under this Agreement at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Creditor. Additional schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Agreement shall govern each Additional Schedule.

Section 11.08 Entire Writing. This Agreement constitutes the entire writing between Creditor and Debtor. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or the equipment financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Debtor in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Creditor and will not apply to this Agreement.

Section 11.09 Acceptance of Obligation to Commence Finance Payments Under Exhibit B. By signing and attesting directly below, Debtor hereby warrants and certifies that: The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Agreement. Debtor acknowledges that Debtor has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A; The principal amount of the Finance Payments in the Exhibit B accurately reflects the Purchase Price; Debtor agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or portion thereof, for each withdrawal of funds from the Vendor Payable Account

Section 11.10 Debtor further warrants and certifies that: Debtor's obligation to commence Finance Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Agreement; immediately upon delivery and acceptance of all the Equipment, Debtor will notify Creditor of Debtor's final acceptance of the Equipment by delivering to Creditor the Payment Request and Equipment Acceptance Form in the form set forth in Exhibit C attached to the Agreement; in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of default under the Agreement occurs, then those amounts shall be applied as provided in Section 10 of the Agreement; regardless of whether Debtor delivers a final Payment Request and Equipment Acceptance Form, all Finance Payments paid prior to delivery of all the Equipment shall be credited to Finance Payments as they become due under the Agreement as set forth in Exhibit B.

Section 11.11 Resolution and Authorization. By signing and attesting directly below, Debtor hereby warrants and certifies that the Governing Body of the Debtor at either a special or regular meeting or through some other approved method of authorization has determined that this Agreement is in the best interests of the Debtor and the Governing Body did at such meeting or through some other approval method approve the entering into of the Agreement by the Debtor and specifically designated and authorized the individual(s) who have signed directly below to execute this Agreement on Debtor's behalf along with any related documents (including any Escrow Agreement) necessary to the consummation of the transaction contemplated by the Agreement.

Creditor and Debtor have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

Memphis Merit Academy, Inc.

American Capital Financial Services, Inc.

Signature

Signature

Printed Name and Title

Printed Name and Title

Attested By Authorized Individual

Signature

Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Thirty (30) HP Chromebook 11 G9 Laptops and One (1) Tripp Lite Charging Cart

Physical Address of Equipment after Delivery : 4075 American Way, Memphis, TN 38118

EXHIBIT B

PAYMENT SCHEDULE

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Date of First Payment: At Closing
 Original Balance: \$10,658.60
 Total Number of Payments: Thirty-Six (36)
 Number of Payments Per Year: Twelve (12)

Pmt No.	Due Date	Finance Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$356.30	\$0.00	\$356.30	Not Available
2	1-Nov-24	\$356.30	\$113.43	\$242.87	Not Available
3	1-Dec-24	\$356.30	\$110.76	\$245.54	\$10,382.96
4	1-Jan-25	\$356.30	\$108.06	\$248.24	\$10,104.45
5	1-Feb-25	\$356.30	\$105.32	\$250.98	\$9,823.85
6	1-Mar-25	\$356.30	\$102.56	\$253.74	\$9,541.15
7	1-Apr-25	\$356.30	\$99.77	\$256.53	\$9,256.33
8	1-May-25	\$356.30	\$96.94	\$259.36	\$8,969.38
9	1-Jun-25	\$356.30	\$94.09	\$262.21	\$8,680.28
10	1-Jul-25	\$356.30	\$91.20	\$265.10	\$8,389.01
11	1-Aug-25	\$356.30	\$88.28	\$268.02	\$8,095.56
12	1-Sep-25	\$356.30	\$85.33	\$270.97	\$7,799.91
13	1-Oct-25	\$356.30	\$82.34	\$273.96	\$7,502.04
14	1-Nov-25	\$356.30	\$79.33	\$276.97	\$7,201.94
15	1-Dec-25	\$356.30	\$76.28	\$280.02	\$6,899.59
16	1-Jan-26	\$356.30	\$73.20	\$283.10	\$6,594.98
17	1-Feb-26	\$356.30	\$70.08	\$286.22	\$6,288.09
18	1-Mar-26	\$356.30	\$66.93	\$289.37	\$5,978.90
19	1-Apr-26	\$356.30	\$63.74	\$292.56	\$5,667.39
20	1-May-26	\$356.30	\$60.52	\$295.78	\$5,353.55
21	1-Jun-26	\$356.30	\$57.26	\$299.04	\$5,037.36
22	1-Jul-26	\$356.30	\$53.97	\$302.33	\$4,718.80
23	1-Aug-26	\$356.30	\$50.64	\$305.66	\$4,397.85
24	1-Sep-26	\$356.30	\$47.28	\$309.02	\$4,074.50
25	1-Oct-26	\$356.30	\$43.87	\$312.43	\$3,748.72
26	1-Nov-26	\$356.30	\$40.43	\$315.87	\$3,420.50
27	1-Dec-26	\$356.30	\$36.96	\$319.34	\$3,089.83
28	1-Jan-27	\$356.30	\$33.44	\$322.86	\$2,756.68
29	1-Feb-27	\$356.30	\$29.88	\$326.42	\$2,421.03
30	1-Mar-27	\$356.30	\$26.29	\$330.01	\$2,082.87
31	1-Apr-27	\$356.30	\$22.66	\$333.64	\$1,742.17
32	1-May-27	\$356.30	\$18.98	\$337.32	\$1,398.92
33	1-Jun-27	\$356.30	\$15.27	\$341.03	\$1,053.10
34	1-Jul-27	\$356.30	\$11.51	\$344.79	\$704.69
35	1-Aug-27	\$356.30	\$7.72	\$348.58	\$353.67
36	1-Sep-27	\$356.30	\$3.88	\$352.42	\$0.00

Memphis Merit Academy, Inc.

Signature _____

Printed Name and Title _____

**Assumes all Finance Payments due to date are paid*

Please list the Source of Funds (Fund Item in Budget) for the Finance Payments that come due under Exhibit B of this Agreement.

Source of Funds : General Fund

If the above Source of Funds is solely a grant type fund, then the Debtor, by signing above, hereby authorizes the General Fund of the Debtor as a backup source of funds from which the Finance Payments can be made.

No amount hereby requested to be disbursed will be paid to Debtor as reimbursement for any expenditure paid by Debtor absent written compliance with customer due diligence requirements (CDD).

EXHIBIT C

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Debtor hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Debtor and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Debtor hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ _____ and this amount is consistent with the contract between Debtor and vendor.
2. Payment is to be made to: Payee: _____
3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the vendor, (2) copy of the contract between Debtor and vendor (if requested by the Creditor), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title listing KS StateBank and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Debtor shall be deemed to have accepted this portion of the Equipment for all purposes under the Agreement, including, without limitation, the obligation of Debtor to make the Finance Payments with respect thereto in a proportionate amount of the total Finance Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Debtor as reimbursement for any expenditure paid by Debtor more than 60 days prior to the date of execution and delivery of the Agreement.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Debtor's specifications and accepted for all purposes.
7. That Debtor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Debtor will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Agreement in full force and effect. Furthermore, Debtor has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
8. Debtor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Finance Payments required to be paid under the Agreement during the current Budget Year of Debtor, and such moneys will be applied in payment of all Finance Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Debtor and that I have been given the authority by the governing body of Debtor to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: acfsinc@amcapfinance.com
or
Fax: (630) 512-0070

Please call (630) 512-0066 if you have any questions.

Memphis Merit Academy, Inc.

Signature

Printed Name and Title

EXHIBIT D
SIGNATURE CARD

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that they have received all appropriate authority from Memphis Merit Academy, Inc..

Memphis Merit Academy, Inc.

Signature

Printed Name and Title

Signature of additional authorized individual (optional) of Debtor

Signature

Printed Name and Title

EXHIBIT E

DEBTOR ACKNOWLEDGEMENT

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Debtor hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Agreement.

Please complete the below information, attach another page if necessary...

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Debtor will immediately notify Creditor if any of the information listed above is changed.

NOTICE OF ASSIGNMENT

OCTOBER 1, 2024

American Capital Financial Services, Inc. (Creditor/Assignor) hereby gives notice of an Assignment between Creditor/Assignor and KS StateBank (Assignee) of the Equipment Finance Agreement (Agreement) between Creditor/Assignor and Memphis Merit Academy, Inc., dated as of October 1, 2024.

In reference to an Assignment between American Capital Financial Services, Inc. (Creditor/Assignor) and KS StateBank (Assignee), all Finance Payments coming due pursuant to the Agreement shall be made to:

KS StateBank
P.O. Box 1608
Manhattan, Kansas 66505

American Capital Financial Services, Inc., Creditor/Assignor

Signature

Printed Name and Title

ACKNOWLEDGEMENT OF AND CONSENT TO ASSIGNMENT

Memphis Merit Academy, Inc. (Debtor) as party to an Equipment Finance Agreement dated as of October 1, 2024 between Debtor and American Capital Financial Services, Inc. (Creditor), hereby acknowledges receipt of a Notice of Assignment dated October 1, 2024 whereby Creditor gave notice of its assignment to KS StateBank of its right to receive all Finance Payments due from Debtor under the Agreement and hereby consents to that Assignment. Pursuant to the Notice of Assignment from Creditor, Debtor agrees to deliver all Finance Payments coming due under the Agreement to:

KS StateBank
P.O. Box 1608
Manhattan, Kansas 66505

Memphis Merit Academy, Inc.

Signature

Printed Name and Title

INSURANCE REQUIREMENTS

Pursuant to Article V of the Equipment Finance Agreement, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured: Memphis Merit Academy, Inc. 4075 American Way Memphis, Tennessee 38118	Certificate Holder: KS StateBank AOIA (and/or Its Assigns) 1010 Westloop, P.O. Box 69 Manhattan, Kansas 66505-0069
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1. Equipment Description

- ◆ Thirty (30) HP Chromebook 11 G9 Laptops and One (1) Tripp Lite Charging Cart
- ◆ Please include all applicable VIN's, serial numbers, etc.

2. Deductible

- ◆ The deductible amounts on the insurance policy should not exceed \$2,500.00.

3. Physical Damage

- ◆ All risk coverage to guarantee proceeds of at least \$10,658.60.

4. Loss Payee

- ◆ KS StateBank AOIA (and/or Its Assigns) MUST be listed as loss payee.

Please forward certificate as soon as possible to: Email: acfsinc@amcapfinance.com
or
Fax: (630) 512-0070

Please complete the information below and return this form along with the agreement.

Memphis Merit Academy, Inc.

Insurance Company: _____

Agent's Name: _____

Telephone #: _____

Fax #: _____

Address: _____

City, State Zip: _____

Email: _____



3363191%ACHAUTHORIZATION%10.01.2024

PREFERRED

*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Debtor is authorizing Creditor to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries for the Payment Amount (including, but not limited to, any late fees, rate changes, escrow modifications, etc.). I acknowledge that KS StateBank Government Finance Department may reinitiate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Agreement Number 3363191	Payment Amount \$356.30	Frequency of Payments Monthly
Beginning _____ Month Year	Day of Month Debits will be made according to Exhibit B of the Agreement	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account Checking Savings

If the account does not have sufficient funds, KS StateBank Government Finance Department may attempt, but shall have no obligation to continue to attempt to deduct the payment from the account. If the account has insufficient funds when KS StateBank Government Finance Department attempts to deduct a payment, KS StateBank Government Finance Department may terminate the automatic deduction of payments upon notice to borrower and me. Until such time as payment is made, borrower shall be responsible to make such payments, and all other payments that may be due to KS StateBank Government Finance Department regarding the above-referenced loan.

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

Debtor Name on Agreement Memphis Merit Academy, Inc.	
Signature and Title	Printed Signature and Title
Tax ID Number 82-2828471	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

USA Patriot Act

USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.



SIMPLE FUNDING PROGRAM FOR NONPROFIT TRANSACTIONS

Return completed application with required financial information.

Legal Name of Obligor: Memphis Merit Academy, Inc.		Fed. Tax ID #: 82-2828471	
Address: 4075 American Way			
City: Memphis	County:	State: TN	Zip: 38118
Contact Person: Lakenna Booker		Title: Founder and Head of School	
Phone: (901) 240-1009		Fax: ()	
Email Address:		Alt Contact Email Address:	
Alternative Contact Person:		Title:	Phone: ()
Date obligor was established: 2018		Does the obligor self-insure for property & liability insurance?	
Total Cost of Equipment/Project: \$27,089.94		Term (years): 36 months	
*Down Payment: \$		Source of Down Payment:	
Trade In: \$	Payment Amount: \$887.71	Delivery Date:	
Other: \$	Payment Due:	<input checked="" type="checkbox"/> Advance	<input type="checkbox"/> Arrears
Amount to Finance: \$	Payments:	<input checked="" type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual
*Obligor's down payment should be made before or at delivery. Proof of down payment is required prior to payment of any contract proceeds, unless otherwise negotiated.			
Has the obligor paid, or does obligor intend to pay, a vendor for any portion of the equipment being financed with the intent of being reimbursed with proceeds from this financing? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
What fund will the remaining obligor payments be made from? <input checked="" type="checkbox"/> General <input type="checkbox"/> Special (specify)			
Will any federal monies be applied to the contract payments? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, explain.			
Equipment Description: (75) HP Chromebook 11 G9's with License and Extended Warranty (3) Tripp Lite Charging Carts			
New Equipment:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If no, list age of equipment or date manufactured:	
Refurbished:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Year:	
Replacement:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Age of current equipment: 4 years+	Year purchased:
If not a replacement, why is the equipment needed?			
Buyout Included:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Amount of buyout included: \$	
Soft Costs Included:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Amount of soft costs included (shipping, software, and sales tax): \$	
Physical location of equipment after delivery: 4075 American Way			
Describe the essential use of the equipment: Technology for staff and students			
Has the obligor ever defaulted or non-appropriated on a lease, bond, or legal obligation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Is the project a building? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, who owns the land?			
What is the physical address of the new building/project?			

Financial Information Required

- **Two (2) most recent tax returns WITH schedule of Debt Service Commitments (or audit), and**
- **If the fiscal year end of the return (audit) is more than three (3) months ago, also provide current year-to-date Balance Sheet with Debt Service Commitments and Income Statement**
- **For any fiscal year without a return (audit) provide comprehensive financial statements to include a Balance Sheet with Debt Service Commitments and an Income Statement**
- **A copy of the Articles of Incorporation**

Completed By (signature):

Printed Name and Title:

Date:

- *Additional financial information may be requested if deemed necessary during credit review.*
- *By signing this application Obligor representative agrees to the following statement: "Everything stated in this application is correct to the best of my knowledge. I understand Obligee will retain this application whether or not it is approved. Obligor is authorized to verify any information on this application with an appropriate third party as necessary to complete the credit review process."*
- *Please note that, depending on circumstances, we reserve the right to charge a reasonable fee to Obligor, if this transaction is not funded. This fee is for expenses incurred and services performed related to the processing of the transaction. This fee will NOT be charged if the transaction is funded by Obligee.*