



Liberty Charter Academy

Board Meeting

Date and Time

Sunday August 24, 2025 at 5:00 PM EDT

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:00 PM
A. Record Attendance			1 m
B. Call the Meeting to Order			
C. Read the Mission Statement		John O'Day	1 m
II. Closed Session			5:02 PM
A. Enter Closed Session	Vote	John O'Day	1 m
<i>I make a motion to go into closed session pursuant to NC GS 143-318.11 to discuss privileged and confidential personnel information.</i>			
B. Exit Closed Session	Vote	John O'Day	1 m
III. Personnel			5:04 PM
A. Personnel Report	Vote	Mary Catherine Sauer	1 m

	Purpose	Presenter	Time
IV. Finance			5:05 PM
A. Discussion and approval of Hilltop letter of engagement	Vote	Mary Catherine Sauer	5 m
V. Closing Items			5:10 PM
A. Adjourn Meeting	Vote		

Liberty Charter Academy will develop responsible and active citizens through a foundation of a challenging, classical academic program, character education, student responsibility, and strong parental partnerships.

Coversheet

Discussion and approval of Hilltop letter of engagement

Section:	IV. Finance
Item:	A. Discussion and approval of Hilltop letter of engagement
Purpose:	Vote
Submitted by:	
Related Material:	Liberty_Hilltop Engagement Letter_2025-08.pdf



August 21, 2025

Mr. John O'Day
Board Chairman
Liberty Charter Academy
701 Westchester
High Point, NC 55125

Re: Investment Banking Engagement Letter (the "Engagement Letter")

Dear Mr. O'Day:

On behalf of Hilltop Securities Inc. ("HilltopSecurities"), we wish to thank Liberty Charter Academy (the "Academy") for the opportunity to serve as the Academy's Investment Banking Consultant in connection with the Educational Facilities Revenue Bonds (Liberty Charter Academy Project), Series 2025 (the "Transaction").

This Engagement Letter, entered into as of August 21, 2025 (the "Effective Date"), will confirm the terms of our agreement. At this time, it is anticipated that the Transaction will be funded by an issuance of bonds (the "Bonds"), and that this Engagement Letter will be replaced and superseded by a bond purchase agreement upon the successful completion of the offering process. However, if it is determined that a private placement will result in the lowest overall financing costs, then this Engagement Letter also sets forth the terms of HilltopSecurities' role as placement agent. If the character of the Transaction materially changes from that contemplated herein and requires an alternative form of financing, the scope of services and compensation provision may be revised pursuant to an addendum or amendment to this Engagement Letter.

Services Provided by HilltopSecurities. The Academy hereby engages HilltopSecurities as the sole Investment Banking Consultant in conjunction with the solicitation of investors to finance the Transaction. HilltopSecurities agrees to provide customary investment banking services, including but not limited to:

- Upon receipt of the Academy's responses to a due diligence questionnaire, review and evaluate the proposed terms of the offering(s) or placement of the Bonds (the "Offering");
- Successful Academy onboarding process such as, but not limited to, "Know Your Customer," regulatory and legal compliance;
- Coordinate with the Academy and its associated partners for the Offering;
- Develop a marketing plan and debt structure for the Offering, including identification of potential investors;

- Assist in the preparation of Offering documents;
- Contact potential investors, provide them with Offering-related information, respond to their inquiries and, if requested, coordinate due diligence sessions;
- Consult with bond counsel and underwriter's counsel and other service providers regarding the Offering(s) and the terms of the Bonds;
- Relay information regarding the Offering process to all associated partners;
- Negotiate the pricing, including the interest rate, and other terms/structures of the Bonds;
- Obtain CUSIP number(s) for the Bonds and arrange for their DTC book-entry eligibility (if applicable);
- Plan and arrange for the closing and settlement of the issuance(s) or the delivery or placement of the Bonds; and
- Such other usual and customary underwriting or placement agent services as may be requested.

HilltopSecurities will provide additional services to those outlined herein upon mutual agreement of the parties as to both the services to be performed and the payment of additional compensation.

No Advisory or Fiduciary Role. The Academy acknowledges and agrees that: (i) the primary role of HilltopSecurities in this engagement is to purchase the Bonds for resale to investors or to place the debt in an arm's length commercial transaction between the Academy and HilltopSecurities; (ii) HilltopSecurities has financial and other interests that may differ from those of the Academy; (iii) HilltopSecurities is not acting as a financial advisor or fiduciary to the Academy and has not assumed any advisory or fiduciary responsibility to the Academy or any other person or entity in the Transaction, regardless of whether HilltopSecurities or its representatives or affiliates have advised or are advising any such parties on other matters; (iv) the only obligations HilltopSecurities has to the Academy with respect to the Transaction contemplated hereby are expressly set forth in this Engagement Letter; and (v) the Academy has consulted or may consult its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

Exclusivity. The Academy agrees that the engagement of Hilltop Securities as sole Investment Banking Consultant is binding and ensures that HilltopSecurities shall have the right of first offer or refusal to underwrite or place the Bonds. Notwithstanding anything to contrary, as an underwriter, HilltopSecurities will not be required to purchase the Bonds except pursuant to the terms of a bond purchase agreement, which will not be executed until the completion of the pre-sale offering period. This Engagement Letter does not obligate HilltopSecurities to purchase any of the Bonds. Any commitment to purchase the Bonds is subject to credit, legal and business approvals by HilltopSecurities. The Academy is engaging HilltopSecurities pursuant to this Engagement Letter solely with respect to the Transaction described herein. HilltopSecurities may from time to time represent other persons or entities that may have conflicting interests or may be competitors with the Academy, provided however, HilltopSecurities will not, without the Academy's written consent, represent any other party with regard to the Transaction.

Non-Circumvention. The Academy agrees that it shall not directly or indirectly contact or independently pursue and/or consummate the Transaction with any other underwriter or placement agent pursuant to the terms of this Engagement Letter or take any action to circumvent HilltopSecurities' participation as underwriter, placement agent, or any alternative role agreed upon, with right of first offer or refusal to participate in the Transaction.

Fees and Expenses. As consideration for providing underwriting services in connection with the Transaction, the Academy agrees to pay the following fees to HilltopSecurities: \$12.50 per \$1,000 of bonds issued (the "Transaction Fee"), as set forth in a Bond Purchase Agreement to be executed in connection with the offering of Securities. The Academy will be responsible for paying all other costs of issuance, including but not limited to, bond counsel, underwriter's counsel, market consultant, financing conduit and all other expenses related to the Academy's responsibilities. HilltopSecurities' fees and expenses, including underwriter's counsel, will be contingent upon the successful delivery or placement of the Bonds. Underwriter's counsel fees shall not exceed \$75,000. All fees and expenses shall be paid in full to HilltopSecurities, by wire transfer of immediately available funds to a bank account specified by HilltopSecurities, at the time of closing or placement of the Bonds. HilltopSecurities shall have reasonable access to all closing documents and any other materials necessary to ascertain and collect its fee hereunder.

Term and Termination. HilltopSecurities and the Academy agree that it is their mutual desire to close or place the Offering as soon as market conditions allow. The term of this engagement shall extend from the Effective Date of this Engagement Letter to the delivery or placement of the Bonds, provided however, that either party may terminate HilltopSecurities' engagement at any time upon written notice to the other party. It is understood and agreed that in the event this engagement is terminated by the Academy prior to the consummation of the Transaction, and within six (6) months of the date of termination, another commercial bank, investment bank or brokerage firm or other entity or person is engaged to complete the financing Transaction with any party introduced or identified by HilltopSecurities, HilltopSecurities shall be entitled to full compensation as set forth in this Engagement Letter.

HilltopSecurities agrees to maintain the confidentiality of all information provided by the Academy in connection with the Transaction and to use such information for the sole purpose set forth herein. Upon termination or expiration of this Engagement Letter and upon the Academy's request, HilltopSecurities will destroy or return to the Academy written information provided by the Academy or obtained from third parties incident to this Transaction, provided however, that HilltopSecurities may maintain copies of such information to the extent necessary to comply with industry regulations and the firm's document retention policy, as well as copies automatically retained as part of a computer back-up, recovery or similar system. Notwithstanding anything to the contrary herein, sections of this Engagement Letter entitled "Fees and Expenses," "Term and Termination," and "Indemnification and Limitation on Liability" shall survive any termination or expiration of this engagement.

Non-Solicitation of Clients. During the term of this Engagement Letter and for a period of six (6) months after the expiration or termination of this Engagement Letter for any reason, each party hereto agrees that it shall not directly or indirectly (i) solicit the clients of the other party, or (ii)

attempt to disrupt, circumvent, or sever the current business relationship between such party and its clients.

Disclaimer of Responsibility for Acts of the Academy. The obligations of HilltopSecurities set forth in this Engagement Letter consist solely of the services identified herein. In no event shall HilltopSecurities be required by this Engagement Letter to act as the agent of the Academy or otherwise represent or make decisions for the Academy. All final decisions with respect to acts of the Academy, whether or not made pursuant to or in reliance on information or advice furnished by HilltopSecurities hereunder, shall be those of the Academy and HilltopSecurities shall under no circumstances be liable for any expense incurred or loss suffered by the Academy as a consequence of such decisions.

Indemnification and Limitation on Liability. The Academy agrees to indemnify and hold harmless HilltopSecurities and its parent, affiliates, their officers, directors, shareholders, employees, and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever, including attorneys' fees and expenses ("Losses and Expenses") that HilltopSecurities may incur as a result of, that arise out of, or that are in connection with the Transaction, including any claims asserted by third parties, except to the extent such Losses and Expenses result directly from HilltopSecurities' willful misconduct or gross negligence.

Notwithstanding anything in the foregoing, in any event regardless of the cause of action, HilltopSecurities' total liability (including loss and expense) to the Academy arising herefrom in the aggregate shall not exceed the gross amount of fees received by HilltopSecurities pursuant to this Engagement Letter. The limitations of liability set forth in this Engagement Letter are fundamental elements of the basis of the engagement between HilltopSecurities and the Academy, and the pricing for the services set forth above reflect such limitations.

Severability. The invalidity or illegality of any provision or term contained in or made a part of this Engagement Letter shall not affect the validity of the remainder of this Engagement Letter. No waiver of a breach of, or default under, any provision of this Engagement Letter shall necessarily be deemed a waiver of any other breach or default under the same or any other provision of this Engagement Letter.

Entire Agreement. This Engagement Letter contains all of the terms agreed upon by the parties with respect to the subject matter hereof, and there are no representations or understandings between the parties except as provided herein. This Engagement Letter may not be amended or modified in any way except by an addendum or amendment duly executed by both parties.

Announcements. If a Transaction is completed, HilltopSecurities may, at its expense, place an announcement in such newspapers, periodicals and other media as HilltopSecurities may desire, stating that HilltopSecurities acted as the Academy's exclusive underwriter or placement agent in connection with the Transaction. The Academy acknowledges its consent to use of the Academy's logo, provided photographs, and/or other content.

If there is any aspect of this Engagement Letter that you believe requires further clarification, please do not hesitate to contact us. If the foregoing is consistent with your understanding of our engagement, please sign and return this letter to my attention. Again, we thank you for the opportunity to assist you with your proposed financing and the confidence you have placed in us.

Best Regards,



William DaSilva
Vice President

Accepted by:
Liberty Charter Academy

Signature

Name Printed

Title