



Date: June 14, 2022
To: Board of Directors of Navigator Schools
From: Kevin Sved, CEO
Subject: Merger

As you know, on May 10, 2022, Navigator Schools approved the merger with Hayward Collegiate, Inc. On May 19, 2022, Hayward Collegiate, Inc. approved the merger. On June 8, 2022, we submitted notice of the merger to the California Attorney General. What remains to be accomplished is the actual filing of the merger paperwork with the California Secretary of State's Office on or about July 1.

At the time of Navigator School's approval, some of the exhibits to the merger agreements were not included because they had not yet been prepared by Hayward Collegiate. You will be asked today to ratify the exhibits to the merger agreements. The following documents, copies attached, are the exhibits to the Asset and Liability Transfer Agreement which we seek to ratify:

- 1) Exhibit A, Transferred Assets
- 2) Exhibit B, Assumed Liabilities
- 3) Exhibit C, Donor-Imposed Restrictions

I will also be circulating final documents for signature to John and Nora, as Board Chair and Secretary. We will need the original signatures for filing with the California Secretary of State's Office. I will ask Sean to work with John and Nora regarding this issue.

Exhibit A

ESP-CA
EdTec Network : Hayward Collegiate, Inc.

Balance Sheet
As of March 31, 2022

Financial Row	Amount
ASSETS	
Current Assets	
Bank	
9120-HCOL - Cash in Bank - Hayward Collegiate	
9121-0770 - Cash in Bank - HCOL : Fremont Bank checking acct 0770 (main)	\$790,477.95
9121-6921 - Cash in Bank - HCOL : B of A checking 6921	\$657,196.70
9124-7070 - Cash in Bank - HCOL : United Business Bank 7070	\$111,800.00
Total - 9120-HCOL - Cash in Bank - Hayward Collegiate	\$1,559,474.65
Total Bank	\$1,559,474.65
Accounts Receivable	
9200 - Accounts Receivable	
9219 - AR - Special Ed (Fed)	\$11,771.14
9232 - AR - Property Taxes	\$0.34
9233 - AR - Lottery	\$207.12
9239 - AR - Special Education	\$7,217.50
9251 - AR - Gen Purpose prior yr adjustment (Due from District)	\$21,537.00
9260 - AR - Misc	\$4,310.96
Total - 9200 - Accounts Receivable	\$45,044.06
Total Accounts Receivable	\$45,044.06
Total Current Assets	\$1,604,518.71
Total ASSETS	\$1,604,518.71
Liabilities & Equity	
Current Liabilities	
Accounts Payable	
9500 - Accounts Payable	
9516 - AP - Payable to County (prior yr adj)	(\$59.00)
Total - 9500 - Accounts Payable	(\$59.00)
Total Accounts Payable	(\$59.00)
Credit Card	
9515-HCCS - Credit Card - Hayward Collegiate	
9515-5412 - Credit Card - Hayward Collegiate : Chase 5412 (#6461)	\$11,066.32
Total - 9515-HCCS - Credit Card - Hayward Collegiate	\$11,066.32
Total Credit Card	\$11,066.32
Other Current Liability	
9502 - AP - District Oversight Fee	\$6,024.25
9514 - AP - Other	\$2.00
9540 - Payroll Liability - Federal	\$298.10
9571 - Wages Payable (July & August)	\$3,476.04
9580 - 403B Payable	\$1,207.50
9650 - Deferred Revenue	\$34,787.00
Total Other Current Liability	\$45,794.89
Total Current Liabilities	\$56,802.21
Long Term Liabilities	
9660 - Long Term Liabilities	
9670 - CDE Loan	\$138,586.00
Total - 9660 - Long Term Liabilities	\$138,586.00
Total Long Term Liabilities	\$138,586.00
Equity	
Retained Earnings	\$1,285,556.56
Net Income	\$123,573.94
Total Equity	\$1,409,130.50
Total Liabilities & Equity	\$1,604,518.71

Exhibit B

EXHIBIT B: ASSUMED LIABILITIES

1. 2019-2024 Lease Agreement, dated on or about February 17, 2019, by and between Good Shepard Lutheran Church and Hayward Collegiate Charter School, for a term commencing on August 1, 2019 with a termination date of August 31, 2024; Second Amendment to Commercial Net Lease, dated on or about April 1, 2021; Third Amendment to Commercial Net Lease, dated on or about March 15, 2022.
2. Master Services Agreement, dated on about November 25, 2017, by and between Ed Tec, Inc. and Hayward Collegiate; Statement of Work #5 by and between Ed Tec, Inc. and Hayward Collegiate, dated on or about June 25, 2021, for a term commencing on July 1, 2021 with a termination date of June 30, 2024.

EXHIBIT C: DONOR-IMPOSED RESTRICTIONS

None