



Crossroads Charter Schools

August Board Meeting (Board Retreat)

Date and Time

Saturday August 17, 2019 at 9:00 AM CDT

Location

816 Broadway Blvd. Kansas City, MO

Agenda

I. Opening Items

Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

C. Approve Minutes

Approve minutes for July Board Meeting on July 22, 2019

II. Financials

Advisory

A. July Financial Report

B. July Check Register

C. TIF Bridge Loan Approval

D. Land Option Extension

III. Governance

IV. Closing Items

A. Adjourn Meeting

Coversheet

Approve Minutes

Section: I. Opening Items
Item: C. Approve Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for July Board Meeting on July 22, 2019

APPROVED



Crossroads Charter Schools

Minutes

July Board Meeting

Date and Time

Monday July 22, 2019 at 5:00 PM

Location

816 Broadway Blvd. Kansas City, MO

Trustees Present

B. Sweetman, D. Charity, D. Yoder, G. Valdovino, J. Williams, P. Crawford, R. Cattelino, R. Moore

Trustees Absent

None

Trustees who arrived after the meeting opened

G. Valdovino

Guests Present

D. Johnson, R. Uptergrove

I. Opening Items**A. Record Attendance and Guests****B. Call the Meeting to Order**

B. Sweetman called a meeting of the board of trustees of Crossroads Charter Schools to order on Monday Jul 22, 2019 at 5:01 PM.

C. Approve Minutes

R. Cattelino made a motion to approve minutes from the June Board Meeting on 06-24-19 June Board Meeting on 06-24-19.

R. Moore seconded the motion.

The board **VOTED** unanimously to approve the motion.

D. Approve Special Board Meeting Minutes

R. Cattelino made a motion to approve minutes from the Special Board Meeting on 06-03-19 Special Board Meeting on 06-03-19.

B. Sweetman seconded the motion.

The board **VOTED** unanimously to approve the motion.

II. Financials

A. June Financial Report

Total Expenses: \$12,401,364

Total Revenue: \$12,665,850

Net: \$264,486

B. June Check Register

D. Charity made a motion to Approve.

R. Moore seconded the motion.

The board **VOTED** unanimously to approve the motion.

G. Valdovino arrived.

C. Commerce Bridge Loan

This Agenda item has been postponed to the August, 2019 meeting.

D. Entegrity Proposal

D. Charity made a motion to approve the authorization of Dean Johnson, Executive Director, to move forward with Option 2 of the Entegrity proposal.

P. Crawford seconded the motion.

The board **VOTED** unanimously to approve the motion.

Jeremy Knoll, BNIM, provided an explanation on the two proposals, Option 1 and Option 2, (attached to the packet) from Entegrity.

III. Governance

A. Draft 2018-19 UCM Annual Oversight Review

Vici Hughes, with UCM, provided the Board with an update on the DRAFT 18-19 UCM Annual Oversight Review. Vici congratulated the Board and staff for being one of the top reviews out of the 8-UCM sponsored Charter Schools. This review highlights for areas: academics, board, finances, and operations.

Over the next several months the Board will like an update to ensure all un-met or partially-met items have been updated.

Vici also congratulated the Board and staff on a 97.3 Annual Performance Review score

B. Preparation for Board Retreat

Katie Essex, Charter Board Partners, discussed the *Standards for Effective Charter School Governance*.

The board discussed all standard items:

STANDARD ONE: Focus Relentlessly on Student Achievement

STANDARD TWO: Ensure Exceptional School Leadership

STANDARD THREE: Commit to Exemplary Governance

STANDARD FOUR: Act Strategically

STANDARD FIVE: Raise and Use Resources Wisely

STANDARD SIX: Maintain Legal and Regulatory Compliance

IV. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:27 PM.

Respectfully Submitted,

R. Uptergrove

R. Cattelino made a motion to adjourn the meeting.

R. Moore seconded the motion.

The board **VOTED** unanimously to approve the motion.

Coversheet

July Financial Report

Section: II. Financials
Item: A. July Financial Report
Purpose: FYI
Submitted by:
Related Material: CCS - Monthly Presentation - July 2019.pdf



July 2019 Financials

PREPARED **AUGUST 2019** BY

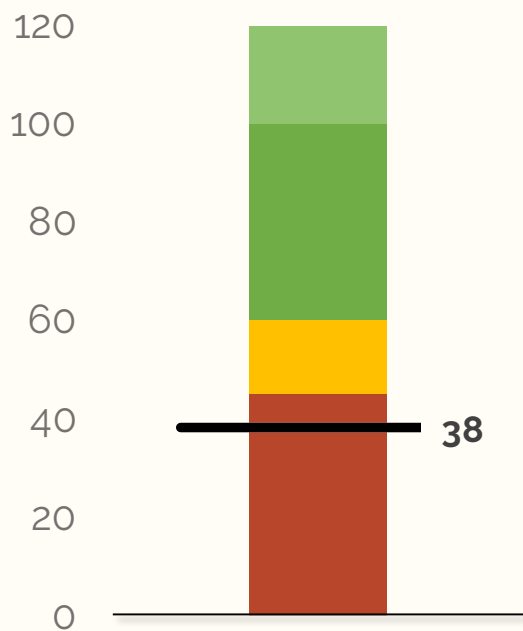


- **Key Performance Indicators**
- **Forecast Overview**
- **Cash Forecast**
- **Notable Forecast Variances**
- **Appendix: Financials**

Key Performance Indicators

Days of Cash

Cash balance at year-end divided by average daily expenses

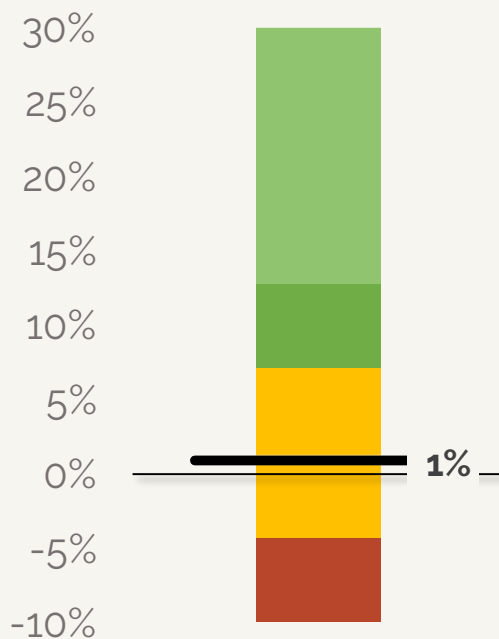


38 DAYS OF CASH AT YEAR'S END

The school will end the year with 38 days of cash. This is below the recommended 60 days, and 68 less day(s) than last month

Gross Margin

Revenue less expenses, divided by revenue



1% GROSS MARGIN

The forecasted net income is \$126k, which is \$30k below the budget. It yields a 1% gross margin.

Forecast Overview

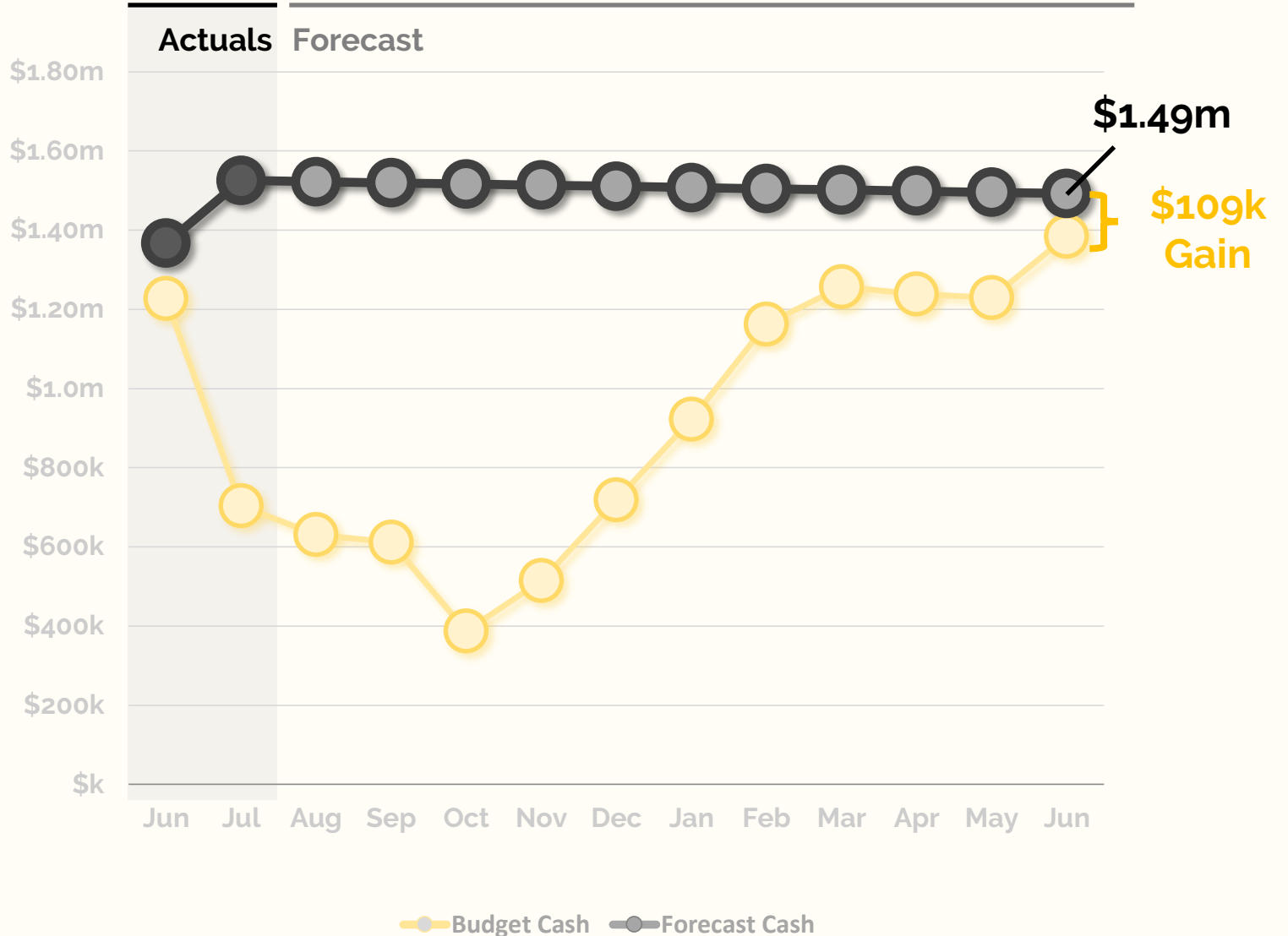
	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	14,230,641	14,229,021	1,620	+2k	Misc Revenue received
Expenses	14,104,566	14,072,693	-31,873	-32k	Capital expenses of \$31,873
Net Income	126,075	156,328	-30,253	-30k	
Cash Flow Adjustments	0	0	0	-0k	
Change in Cash	126,075	156,328	-30,253	-30k	

Cash Flow Forecast

38 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$1.49m**, **\$109k** above budget.

The school's ending FY19 cash balance was inflated to some degree by capital raised for Thayer that wasn't expensed as of 06/30/19.



	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Forecast</i>	<i>Budget</i>	<i>Variance</i>	<i>Remaining</i>
Revenue							
Local Revenue	450,804	65,036	385,769	2,645,067	2,643,447	1,620	2,194,262
State Revenue	640,128	561,951	78,177	10,878,837	10,878,837	1	10,238,709
Federal Revenue	4,889	21,855	(16,966)	706,737	706,737	0	701,848
Total Revenue	1,095,821	648,842	446,979	14,230,641	14,229,021	1,620 ①	13,134,820
Expenses							
Salaries	440,012	498,365	58,352	5,980,373	5,980,375	2	5,540,361
Benefits and Taxes	133,738	154,266	20,528	1,851,186	1,851,186	(0)	1,717,448
Staff-Related Costs	9,575	10,917	1,341	131,000	131,000	0	121,424
Rent	38,757	47,159	8,402	565,905	565,905	0	527,148
Occupancy Service	87,972	97,308	9,336	1,167,692	1,167,692	0	1,079,720
Student Expense, Direct	121,935	207,678	85,743	2,492,138	2,492,138	(0)	2,370,203
Student Expense, Indirect	-	24,083	24,083	289,000	289,000	(0)	289,000
Office & Business Expense	100,905	60,683	(40,222)	728,192	728,192	0	627,287
Transportation	7,979	54,350	46,371	652,205	652,205	0	644,226
Total Ordinary Expenses	940,874	1,154,808	213,934	13,857,691	13,857,693	2	12,916,818
Net Operating Income	154,948	(505,966)	660,913	372,950	371,328	1,622	218,002
Extraordinary Expenses							
Interest and Capital Expenses	31,875	17,917	(13,958)	246,875	215,000	(31,875)	215,000
Total Extraordinary Expenses	31,875	17,917	(13,958)	246,875	215,000	(31,875)	215,000
Total Expenses	972,749	1,172,724	199,976	14,104,566	14,072,693	(31,873) ②	13,131,818
Net Income	123,073	(523,882)	646,955	126,075	156,328	(30,253) ③	3,002
Cash Flow Adjustments	35,763	-	35,763	(0)	-	(0)	(35,763)
Change in Cash	158,836	(523,882)	682,718	126,075	156,328	(30,253) ⑤	(32,761)

① **REVENUE: \$2K AHEAD**
 Misc Revenue received not in budget

② **EXPENSES: \$32K BEHIND**
 Capital expense not in budget

③ **NET INCOME: \$30K behind**

④ **CASH ADJ:\$0K BEHIND**

⑤ **NET CHANGE IN CASH:
 \$30K BEHIND**

Monthly Financials

	Actual	Forecast											
Income Statement	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Revenue													
Local Revenue	450,804	199,478	199,478	199,478	199,478	199,478	199,478	199,478	199,478	199,478	199,478	199,478	2,645,067
State Revenue	640,128	930,792	930,792	930,792	930,792	930,792	930,792	930,792	930,792	930,792	930,792	930,792	10,878,837
Federal Revenue	4,889	63,804	63,804	63,804	63,804	63,804	63,804	63,804	63,804	63,804	63,804	63,804	706,737
Total Revenue	1,095,821	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	1,194,075	14,230,641
Expenses													
Salaries	440,012	503,669	503,669	503,669	503,669	503,669	503,669	503,669	503,669	503,669	503,669	503,669	5,980,373
Benefits and Taxes	133,738	156,132	156,132	156,132	156,132	156,132	156,132	156,132	156,132	156,132	156,132	156,132	1,851,186
Staff-Related Costs	9,575	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	131,000
Rent	38,757	47,923	47,923	47,923	47,923	47,923	47,923	47,923	47,923	47,923	47,923	47,923	565,905
Occupancy Service	87,972	98,156	98,156	98,156	98,156	98,156	98,156	98,156	98,156	98,156	98,156	98,156	1,167,692
Student Expense, Direct	121,935	215,473	215,473	215,473	215,473	215,473	215,473	215,473	215,473	215,473	215,473	215,473	2,492,138
Student Expense, Indirect	0	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	26,273	289,000
Office & Business Expense	100,905	57,026	57,026	57,026	57,026	57,026	57,026	57,026	57,026	57,026	57,026	57,026	728,192
Transportation	7,979	58,566	58,566	58,566	58,566	58,566	58,566	58,566	58,566	58,566	58,566	58,566	652,205
Interest	31,875	0	0	0	0	0	0	0	0	0	0	0	31,875
Total Ordinary Expenses	972,749	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	13,889,566
Total Expenses	972,749	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	1,174,256	13,889,566
Net Income	123,073	19,818	19,818	19,818	19,818	19,818	19,818	19,818	19,818	19,818	19,818	19,818	341,075
Cash Flow Adjustments	35,763	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	-3,251	0
Change in Cash	158,836	16,567	16,567	16,567	16,567	16,567	16,567	16,567	16,567	16,567	16,567	16,567	341,075

	<i>Previous Year End</i>	<i>Current</i>
	<i>6/30/2019</i>	<i>7/31/2019</i>
Assets		
Current Assets		
Intercompany Transfers	0	0
Cash	1,366,552	1,525,387
Total Current Assets	1,366,552	1,525,387
Total Assets	1,366,552	1,525,387
Liabilities and Equity		
Liabilities		
Current Liabilities		
Other Current Liabilities	-31,670	4,093
Total Current Liabilities	-31,670	4,093
Total Long-Term Liabilities	0	0
Total Liabilities	-31,670	4,093
Equity		
Unrestricted Net Assets	1,398,220	1,398,220
Net Income	0	123,073
Total Equity	1,398,220	1,521,292



QUESTIONS?

Please contact your EdOps Finance Specialist:

Paul Greenwood

paul@ed-ops.com

415-359-3995

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Coversheet

July Check Register

Section: II. Financials
Item: B. July Check Register
Purpose: Vote
Submitted by:
Related Material: CheckRegisterbyType (3).pdf

Crossroads Charter Schools
08/16/2019 9:12 AM

Check Register by Type

Page: 1
User ID: PAUL

Payee Type: Vendor		Check Type: Automatic Payment			Checking Account ID: 1			
Check Number	Check Date	Cleared	Void	Void Date	Entity ID	Entity Name	Check Amount	
1603843	07/03/2019	X			COMMERCE	COMMERCE BANK	3,261.61	
1603844	07/03/2019	X			CAKCESTAT	CROSSROADS REAL ESTATE COMPANY	27,899.00	
1603848	07/24/2019	X			ATT	AT&T	1,045.53	
1603850	07/04/2019	X			BCBS	BLUE CROSS AND BLUE SHELDF OF KANSAS CITY	0.00	
1603851	07/12/2019	X			UNUM	UNUM LIFE INSURANCE COMPANY OF AMERICA	4,897.54	
1603852	07/05/2019	X			HVH	HISTORIC VIRGINIA HOTEL, LLC	0.00	
1603853	07/29/2019	X			KCPL	KCP&L	30,696.31	
1603854	07/22/2019	X			HARTFORD	THE HARTFORD INSURANCE COMPANY	2,013.50	
1603855	07/25/2019	X			HANOVER	THE HANOVER INSURANCE CO	7,377.90	
1603856	07/15/2019	X			GOOGLEF	GOOGLE FIBER	130.00	
1603858	07/30/2019	X			PAYLOCITY	PAYLOCITY	2,217.84	
1603864	07/30/2019	X			UHCBS	UHCBS REIMBURSEMENT	2,655.48	
1603876	07/09/2019	X			COMMERCECC	COMMERCE BANK - COMMERCIAL CARDS	10,528.89	
1603877	07/16/2019	X			APPLE	APPLE INC.	68,935.20	
Checking Account ID: 1					Void Total:	0.00	Total without Voids:	161,658.80
Check Type Total:		Automatic Payment			Void Total:	0.00	Total without Voids:	161,658.80

Payee Type: Vendor		Check Type: Check			Checking Account ID: 1		
Check Number	Check Date	Cleared	Void	Void Date	Entity ID	Entity Name	Check Amount
1735	07/29/2019	X			URBANCAFE	Urban Cafe	500.00
1765	07/02/2019	X			USPS	USPS	250.00
73037306	07/03/2019	X			STRASSER	STRASSER TRUE VALUE	8.06
73037307	07/03/2019	X			OMEGA	OMEGA DOOR AND HARDWARE INC.	234.30
73037308	07/03/2019	X			KCFENCE	KANSAS CITY FENCE & GUARDRAIL	1,200.00
73037309	07/03/2019	X			STRASSER	STRASSER TRUE VALUE	29.00
73037310	07/03/2019	X			VOYAGER	VOYAGER SOPRIS LEARNING	1,749.00
73037488	07/03/2019	X			SPEDTRACK	SPEDTRACK	1,535.00
73037489	07/03/2019	X			OTIS	OTIS ELEVATOR	436.56
73037490	07/03/2019	X			EXPLORE	ExploreLearning	1,500.00
73037491	07/03/2019	X			DATAREC	DATA RECOGNITION INC	765.00
73037670	07/03/2019	X			MENDADI	ADILENE MENDIOLA	325.00
73037671	07/03/2019	X			MARTTHO	THOMAS MARTIN	325.00
73037672	07/03/2019	X			BUCKALL	ALLISON BUCKLEW	325.00
73037673	07/03/2019	X			PARKDAN	DANIELLE PARKER	325.00
73037674	07/03/2019	X			POPEMIL	MILDRED POPE	325.00
73037675	07/03/2019	X			REASSHA	SHANNON REASBY	325.00
73037676	07/03/2019	X			PAYPOOL	PAYPOOL	876.50
73037677	07/03/2019	X			SCHUKAR	KARA SCHUMACHER	485.00
73037678	07/03/2019	X			AMAZON	AMAZON	3,316.05
73037679	07/03/2019	X			KELLY	KELLY SERVICES, INC	581.46
73039870	07/05/2019	X			MORIJEN	Jennifer Moriarty	458.00
73039871	07/05/2019	X			PSMITH	PAIGE SMITH	458.00
73061933	07/16/2019	X			BNIM	BNIM, INC	1,160.00
73061934	07/16/2019	X			BNIM	BNIM, INC	840.00
73061935	07/16/2019	X			MCREALTY	MC REALTY GROUP, LLC	5,000.00
73061936	07/16/2019	X			BNIM	BNIM, INC	5,040.00
73061937	07/16/2019	X			BNIM	BNIM, INC	11,588.46
73061938	07/16/2019	X			KCWATER	KCMO WATER SERVICES DEPARTMENT	697.80
73061939	07/16/2019	X			ROAD	ROAD RUNNER	578.00
73061940	07/16/2019	X			KCWATER	KCMO WATER SERVICES DEPARTMENT	46.58
73061941	07/16/2019	X			KCWATER	KCMO WATER SERVICES DEPARTMENT	42.55
73061942	07/16/2019	X			DBLEGAL	D&B LEGAL SERVICES	48.95
73061943	07/16/2019	X			KCWATER	KCMO WATER SERVICES DEPARTMENT	548.53
73061944	07/16/2019	X			KCWATER	KCMO WATER SERVICES DEPARTMENT	16.02
73061945	07/16/2019	X			WALSWORTH	WALSWORTH	1,632.33
73061946	07/16/2019	X			OTIS	OTIS ELEVATOR	1,589.58
73061947	07/16/2019	X			VEOLIA	VEOLIA ENERGY	69.06

Crossroads Charter Schools

Check Register by Type

Page: 2

08/16/2019 9:12 AM

User ID: PAUL

Payee Type: Vendor		Check Type: Check			Checking Account ID: 1		
Check Number	Check Date	Cleared	Void	Void Date	Entity ID	Entity Name	Check Amount
73061948	07/16/2019	X			WESTERN SPE	WESTERN SPECIALITY CONTRACTORS	558.00
73061949	07/16/2019	X			KCBH	KANSAS CITY BEHAVIORAL HEALTH Holdco, LLC.	3,344.00
73061950	07/16/2019	X			CENTERPCE	CENTER FOR PROFESSIONAL & CORPORATE EXCELLENCE	495.00
73061951	07/16/2019	X			K12ITC	K12 ITC, INC.	1,750.00
73061952	07/16/2019	X			MOASPA	MOASPA	300.00
73061953	07/16/2019	X			PLAZAACADE	THE PLAZA ACADEMY	500.00
73062175	07/16/2019	X			THYSSELEV	THYSSENKRUPP ELEVATOR CORP	331.59
73062176	07/16/2019	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT	50.00
73062177	07/16/2019	X			DEFFEN	DEFFENBAUGH DISPOSAL SERV	256.84
73062404	07/16/2019	X			KPM	KPM CPA'S, P.C.	5,500.00
73062405	07/16/2019	X			SOLI	SOLI AND SOLI INC	1,858.00
73062406	07/16/2019	X			KCTG	DBA KANSAS CITY TRANSPORTATION GROUP INC	7,979.00
73062407	07/16/2019	X			MSBA	MISSOURI SCHOOL BOARDS ASSOCIATION	1,259.32
73062408	07/16/2019	X			SCENARIO	SCENARIO LEARNING	412.00
73062409	07/16/2019	X			LEXINGTON	LEXINGTON PLUMBING & HEATING CO INC	415.00
73062410	07/16/2019	X			QHA	QUALITY HILL ASSOCIATES LLC	1,100.00
73062411	07/16/2019	X			GRANDPL	The Grand Hall at Power & Light	1,385.00
73062412	07/16/2019	X			MEDELLIN	Medellin Landscaping & Gardening	764.50
73062413	07/16/2019	X			IRESQ	IResQ	1,143.00
73062654	07/16/2019	X			DATAMAX	DATAMAX, INC	1,342.28
73062655	07/16/2019	X			DONALD	DONALD E MAXWELL, LLC	4,650.00
73062656	07/16/2019	X			EDOPS	EdOps	10,250.00
73062657	07/16/2019	X			DATAMAX	DATAMAX, INC	7,562.46
73134426	07/23/2019	X			AMAZON	AMAZON	12.44
73134427	07/23/2019	X			SMITALY	ALYSE SMITH	13.67
73134428	07/23/2019	X			ATRONIC	ATRONIC ALARMS INC	94.00
73134429	07/23/2019	X			21STCENT	21ST CENTURY THERAPY, P.C.	926.25
73134430	07/23/2019	X			HIGENE	HI-GENE'S JANITORIAL	20,268.16
73134844	07/23/2019	X			SWOPE	SWOPE CORRIDOR RENAISSANCE/UPPER ROOM, INC.	18,803.03
73134845	07/23/2019	X			SUPERIOR	SUPERIOR MOVING AND STORAGE	2,438.00
73134846	07/23/2019	X			SUPERIOR	SUPERIOR MOVING AND STORAGE	4,697.00
73134847	07/23/2019	X			SUPERIOR	SUPERIOR MOVING AND STORAGE	2,539.00
73134848	07/23/2019	X			SPIRE	SPIRE	157.61
73134849	07/23/2019	X			K12ITC	K12 ITC, INC.	8,157.50
73134850	07/23/2019	X			VAXA	VAXA COLLECTIVE	1,500.00
73134851	07/23/2019	X			SCHOOLDATE	SCHOOL DATEBOOKS	699.16
73134852	07/23/2019	X			ISS	ISS FACILITY SERVICES - KC	308.65
73134853	07/23/2019	X			K12ITC	K12 ITC, INC.	13,312.71
73134854	07/23/2019	X			ISS	ISS FACILITY SERVICES - KC	136.32
73134855	07/23/2019	X			ISS	ISS FACILITY SERVICES - KC	316.04
73134856	07/23/2019	X			ISS	ISS FACILITY SERVICES - KC	1,178.17
73134857	07/23/2019	X			ISS	ISS FACILITY SERVICES - KC	1,311.37
73135096	07/23/2019	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT	50.00
73135097	07/23/2019	X			SMITHEREEN	SMITHEREEN PEST MANAGEMENT	50.00
73135098	07/23/2019	X			CHUBB	CHUBB & SON	11,245.00
73135394	07/23/2019	X			MARSHM	MARSH & MCLENNAN AGENCY, LLC INC	27,607.45
73151825	07/30/2019	X			CENTER	CENTER FOR CONFLICT RESOLUTION	1,586.00
73151826	07/30/2019	X			KCINTERNAT	KC INTERNATIONAL ACADEMY	194.06
73151827	07/30/2019	X			PROJECT	PROJECT LEAD THE WAY, INC	2,400.00
73151828	07/30/2019	X			BYERS	BYERS GLASS & MIRROR INC	506.09
73151829	07/30/2019	X			MCREALTY	MC REALTY GROUP, LLC	7,665.48
73151830	07/30/2019	X			RSC	RSC	3,900.00
73151832	07/30/2019	X			KJETT	K JETT SERVICES	134.00
73151833	07/30/2019	X			KJETT	K JETT SERVICES	134.00
73152254	07/30/2019	X			SOLI	SOLI AND SOLI INC	167.00
73152255	07/30/2019	X			GOPHER	GOPHER	143.10

Crossroads Charter Schools
08/16/2019 9:12 AM

Check Register by Type

Page: 3
User ID: PAUL

Payee Type: Vendor		Check Type: Check			Checking Account ID: 1		
<u>Check Number</u>	<u>Check Date</u>	<u>Cleared</u>	<u>Void</u>	<u>Void Date</u>	<u>Entity ID</u>	<u>Entity Name</u>	<u>Check Amount</u>
73152256	07/30/2019	X			MEDELLIN	Medellin Landscaping & Gardening	142.00
73152257	07/30/2019	X			PREPKC	PREP-KC	1,400.00
73152258	07/30/2019	X			STASON	STASON, LLC	1,042.81
73152559	07/30/2019	X			ANDERKIM	KIM ANDERSON	45.00
73152560	07/30/2019	X			WHETSTONE	WHETSTONE EDUCATION	1,840.00
73152561	07/30/2019	X			MIDCON	MID-CON MANAGEMENT LLC	8,437.50
73152562	07/30/2019	X			CDW	CDW GOVERNMENT	3,790.78
73152563	07/30/2019	X			AMAZON	AMAZON	939.00
Checking Account ID: 1					Void Total:	0.00	Total without Voids: 248,724.13
Check Type Total: Check					Void Total:	0.00	Total without Voids: 248,724.13
Payee Type Total: Vendor					Void Total:	0.00	Total without Voids: 410,382.93
Grand Total:					Void Total:	0.00	Total without Voids: 410,382.93

Coversheet

TIF Bridge Loan Approval

Section: II. Financials
Item: C. TIF Bridge Loan Approval
Purpose: Vote
Submitted by:
Related Material: Board Resolutions to Approve Commerce Bank Loan (2).pdf
Bridge Loan Documents.pdf

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF
Crossroads Charter Schools**

The undersigned, being the Secretary of the Board of Directors of Crossroads Charter Schools, a Missouri not for profit corporation (the "Corporation"), by this instrument hereby certifies that the following resolutions were adopted by the Board of Directors of the Corporation at a Special Meeting of the Board of Directors of the Corporation on August 17, 2019 duly called, noticed and held.

BE IT RESOLVED AS FOLLOWS:

1. That the Corporation acquired certain real estate and commonly described as 816 Broadway, Kansas City, Missouri (the "Property").
2. That the Corporation seeks to conduct certain renovations in and to the Property in order to improve student safety and deliver education services pursuant to its corporate purpose including the scope of work agreed upon and evidenced by that certain AIA Document A102-2017 among and between the Corporation and Turner Construction Company dated June 14, 2019 (the "Construction Contract").
3. That in order to pay for the services described in the Construction Contract, the Corporation hereby approves a loan evidenced by a Business Loan Agreement among and between the Corporation and Commerce Bank, N.A., a Promissory Note issued by the Corporation and made payable to Commerce Bank in an amount not to exceed \$300,000 and certain other loan documents customary for transactions of this type (collectively, the "Loan Documents").
4. That the Executive Director of the Corporation, Dean Johnson, shall be and is, authorized and directed to execute and deliver, for and on behalf of the Corporation, all contracts, agreements, instruments, and documents, including, without limitation the Loan Documents, promissory notes, loan agreements and any and all other documents as such Executive Director may deem to be necessary or appropriate to carry out the intent and purpose of these resolutions. All of the foregoing documents shall contain the terms and conditions and be in such form as the Executive Director shall determine, his execution thereof being conclusive evidence of the suitability and propriety thereof.
5. That all acts and deeds heretofore done by the Executive Director or any officer or officers of the Corporation for and on behalf of the Corporation in entering into, executing or delivering any documents, instruments or agreements accruing out the terms and intent of the foregoing resolutions are hereby ratified, approved and confirmed in all respects.

Date Signed: _____

Patricia Crawford, Secretary



Commerce Bank

Member FDIC

Central Business Banking Division
1000 Walnut St. 17th Floor
Mail Stop: BB17-8
Kansas City, MO 64106

DATE: 7-25-19
TO: Don Maxwell
FAX: 888-421-2024 PHONE: _____

RE: _____

PAGES: 17

- Urgent
- For Review
- Please Comment
- Please Reply
- Please Recycle

	From:	Phone:	Email Address:
<input type="checkbox"/>	Matt Dority	816-234-7104	Matt.Dority@commercenbank.com
<input checked="" type="checkbox"/>	Dane Barker	816-234-3381	Dane.Barker@commercebank.com
<input type="checkbox"/>	Trudi Thomas	816-234-2396	Trudi.Lunnie-Thomas@commercebank.com

Comments:

The information contained in this facsimile is privileged and confidential information intended for the sole use of the addressee. If you are not the intended recipient or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this fax in error, please immediately notify the person listed above and return the original message to the sender at the address listed above.

PROMISSORY NOTE

Principal \$300,000.00	Loan Date 07-23-2019	Maturity 04-23-2020	Loan No 9001	Call / Coll 9B2 / 3200	Account 5020134	Officer 32109	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Crossroads Charter Schools
1011 Central St
Kansas City, MO 64105

Lender: Commerce Bank
Kansas City Banking Center
1000 Walnut
Kansas City, MO 64106

Principal Amount: \$300,000.00

Date of Note: July 23, 2019

PROMISE TO PAY. Crossroads Charter Schools ("Borrower") promises to pay to Commerce Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Three Hundred Thousand & 00/100 Dollars (\$300,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on April 23, 2020. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning August 23, 2019, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an index which is the LIBOR. LIBOR means the rate published under the heading "London Interbank Offered Rate, or Libor" in the "Money Rates" column of the Wall Street Journal for one month maturity (the "Index"). Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each day. The Index is not necessarily the lowest rate charged by Lender on its loans. Rates of interest tied to the Index shall change with and be effective every day from the date of the Note based on the most recent index then available. In order to preserve the economic benefit of this agreement, Lender reserves the right to adjust the Index in the event reserves are required to be maintained against deposits that were not required on the date of this Note, or in the event other legal or regulatory changes affect the rates paid for deposits. The calculation of any such adjustment made in good faith by Lender shall be deemed reasonable unless manifestly in error. If at any time or times Lender determines, (which determination will be conclusive absent manifest error) that (i) the Index has been discontinued for any reason or is no longer being published by a reliable source reasonably available to and used by Lender, (ii) by reason of circumstances affecting the Eurodollar market generally, deposits in dollars (in the applicable amounts) are not being offered to banks in the Eurodollar market for the maturity selected, or adequate means do not exist for ascertaining the Index, (iii) the index will not adequately and fairly reflect the cost to Lender of maintaining or funding loans based on the Index, or (iv) the administrator of the Index or a governmental authority having jurisdiction over Lender has made a public statement identifying a specific date after which the Index shall no longer be used for determining interest rates for loans, Lender shall determine (which determination shall be conclusive absent manifest error) a replacement Index, by reference to a similar rate index from other sources deemed to be reliable by and available to Lender. Such replacement Index shall give due consideration to the then prevailing market convention for determining an index rate of interest for commercial loans in the United States at such time. In the event that Lender determines a replacement Index, in order to account for the relationship of the replacement Index to the original Index, Lender shall also determine any change necessary to the percentage points ("Margin") to be added to the replacement index necessary to ensure that the replacement method will measure interest rates in a manner similar to the original Index, and for the avoidance of doubt, any such change to the Margin shall not reduce the applicable interest rate. Reasonably promptly after such determination by Lender, Lender may, by notice to Borrower, amend this Note (without the need for any action or consent by Borrower) to replace the Index with the replacement Index selected, (i) amend the Margin to be added to the Index, and (ii) state the date upon which the replacement Index and Margin shall be effective. The replacement Index and Margin shall then be deemed the Index and Margin for all purposes of this Note. It shall also be understood that such amendment may become effective prior to such notice. To the extent practicable, the interest rate based on the replacement Index plus the Margin, as it may be adjusted, will be substantially equivalent to the interest rate plus the Margin previously in effect prior to the replacement of the Index. During such period as Lender is determining the replacement Index and until Lender has made a determination of an alternate Index in accordance with the provisions hereof, the interest rate on this Note shall be the per annum rate from time to time announced by Lender at its main office as the "Prime Rate" or as the case may be, the base, reference or other rate then in use for commercial loan reference purposes, not necessarily the lowest or even favored rate, which serves as the basis upon which effective rates of interest are calculated for those loans making reference hereto, plus the Margin referenced above. Notwithstanding the foregoing, at no time shall the Index applicable to this Note be less than zero. Borrower understands that Lender may make loans based on other rates as well. Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 2.000 percentage points over the Index. NOTICE: Under no circumstances will the interest rate on this Note be less than 0.000% per annum or more than the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Commerce Bank, Kansas City Banking Center, 1000 Walnut, Kansas City, MO 64106.

LATE CHARGE. If a payment is more than 15 days late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$250.00, whichever is less.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 3.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

- Payment Default.** Borrower fails to make any payment when due under this Note.
- Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.
- Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.
- False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.
- Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.
- Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate

PROMISSORY NOTE (Continued)

reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disposes of the indebtedness or any guarantor, endorser, surety, or accommodation party.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insolvency. Lender in good faith believes itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Missouri without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Missouri.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

LINE OF CREDIT. This Note evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested either orally or in writing by Borrower as provided in this paragraph. Lender may, but need not, require that all requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: Dean R. Johnson, Executive Director of Crossroads Charter Schools. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

ELECTRONIC RECORDS. The undersigned agrees that this document and all paper records related to the transaction with which this document is a part and whether or not the paper records were submitted in advance of, contemporaneously with or subsequent to, the execution of this document may, at the option of the Lender, be converted by any digital or electronic method or process to an electronic record or subsequently further converted or migrated to another electronic record format or electronic storage medium. The undersigned further agrees that upon conversion to an electronic record as authorized herein such electronic record shall be the record of the transaction and the electronic record shall have the same legal effect as the paper documents, stored, or reproduced in a tangible media. The undersigned further agrees that any documents digitally or electronically converted be embodied, stored, or reproduced in a tangible media. The undersigned further agrees that a printed or digitally reproduced copy of the electronic record shall be given the same legal force and effect as a signed writing. In addition, the undersigned authorizes and agrees to destruction of the paper documents by the Lender upon conversion of the paper documents to a digital or electronic record.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral, or collateral, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROVISIONS TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT, TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT. ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

CROSSROADS CHARTER SCHOOLS

By: Dean R. Johnson, Executive Director of Crossroads Charter Schools

LENDER:

COMMERCE BANK

Authorized Signer

PROMISSORY NOTE

Principal \$300,000.00	Loan Date 07-23-2019	Maturity 04-23-2020	Loan No 9001	Call / Coll 9B2 / 3200	Account 5020134	Officer 32109	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Crossroads Charter Schools
1011 Central St
Kansas City, MO 64105

Lender: Commerce Bank
Kansas City Banking Center
1000 Walnut
Kansas City, MO 64106

Principal Amount: \$300,000.00

Date of Note: July 23, 2019

PROMISE TO PAY. Crossroads Charter Schools ("Borrower") promises to pay to Commerce Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Three Hundred Thousand & 00/100 Dollars (\$300,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on April 23, 2020. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning August 23, 2019, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The Interest rate on this Note is subject to change from time to time based on changes in an index which is the LIBOR. LIBOR means the rate published under the heading "London Interbank Offered Rate, or Libor" in the "Money Rates" column of the Wall Street Journal for one month maturity (the "Index"). Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each day. The Index is not necessarily the lowest rate charged by Lender on its loans. Rates of interest tied to the Index shall change with and be effective every day from the date of the Note based on the most recent Index then available. In order to preserve the economic benefit of this agreement, Lender reserves the right to adjust the Index in the event reserves are required to be maintained against deposits that were not required on the date of this Note, or in the event other legal or regulatory changes affect the rates paid for deposits. The calculation of any such adjustment made in good faith by Lender shall be deemed reasonable unless manifestly in error. If at any time or times Lender determines, (which determination will be conclusive absent manifest error) that (i) the Index has been discontinued for any reason or is no longer being published by a reliable source reasonably available to and used by Lender, (ii) by reason of circumstances affecting the Eurodollar market generally, deposits in dollars (in the applicable amounts) are not being offered to banks in the Eurodollar market for the maturity selected, or adequate means do not exist for ascertaining the Index, (iii) the index will not adequately and fairly reflect the cost to Lender of maintaining or funding loans based on the Index, or (iv) the administrator of the Index or a governmental authority having jurisdiction over Lender has made a public statement identifying a specific date after which the Index shall no longer be used for determining interest rates for loans, Lender shall determine (which determination shall be conclusive absent manifest error) a replacement Index, by reference to a similar rate Index from other sources deemed to be reliable by and available to Lender. Such replacement Index shall give due consideration to the then prevailing market convention for determining an Index rate of interest for commercial loans in the United States at such time. In the event that Lender determines a replacement Index, in order to account for the relationship of the replacement Index to the original Index, Lender shall also determine any change necessary to the percentage points ("Margin") to be added to the replacement Index necessary to ensure that the replacement method will measure interest rates in a manner similar to the original Index, and for the avoidance of doubt, any such change to the Margin shall not reduce the applicable interest rate. Reasonably promptly after such determination by Lender, Lender may, by notice to Borrower, amend this Note (without the need for any action or consent by Borrower) (i) to replace the Index with the replacement Index selected, (ii) amend the Margin to be added to the Index, and (iii) state the date upon which the replacement Index and Margin shall be effective. The replacement Index and Margin shall then be deemed the Index and Margin for all purposes of this Note. It shall also be understood that such amendment may become effective prior to such notice. To the extent practicable, the interest rate based on the replacement Index plus the Margin, as it may be adjusted, will be substantially equivalent to the interest rate plus the Margin previously in effect prior to the replacement of the Index. During such period as Lender is determining the replacement Index and until Lender has made a determination of an alternate Index in accordance with the provisions hereof, the interest rate on this Note shall be the per annum rate from time to time announced by Lender at its main office as the "Prime Rate" or as the case may be, the base, reference or other rate then in use for commercial loan reference purposes, not necessarily the lowest or even favored rate, which serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto, plus the Margin referenced above. Notwithstanding the foregoing, at no time shall the Index applicable to this Note be less than zero. Borrower understands that Lender may make loans based on other rates as well. Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 2.000 percentage points over the Index. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 0.000% per annum or more than the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Note.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Commerce Bank, Kansas City Banking Center, 1000 Walnut, Kansas City, MO 64106.

LATE CHARGE. If a payment is more than 15 days late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$250.00, whichever is less.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 3.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate

PROMISSORY NOTE (Continued)

reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party or any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Change in Ownership. A change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Lender's Right. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES, EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Missouri without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Missouri.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may have in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

LINE OF CREDIT. This Note evidences a straight line of credit. Once the total amount of principal has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation or other action. Lender's address shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation or other action. Lender's address shown above.

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By: Dean R. Johnson, Executive Director of Crossroads Charter Schools
COMMERCIAL BANK
Authorized Signer

BORROWER: CROSSROADS CHARTER SCHOOLS
BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.
INTEREST RATE PROVISIONS, BORROWER AGREES TO THE TERMS OF THE NOTE.
PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE
JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

MAY LATER AGREE IN WRITING TO MODIFY IT.
ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROVISIONS TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT, TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT. ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives settlement, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral, or in part, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone. The obligations under this Note are joint and several.

RECORDS. The undersigned agrees that this document and all paper records related to the transaction with which this document is a part and whether or not the paper records were submitted in advance of, contemporaneously with or subsequent to, the execution of this document may, at the option of the Lender, be converted by any digital or electronic method or process to an electronic record or subsequently further converted or migrated to another electronic record format or electronic storage medium. The undersigned further agrees that upon conversion to an electronic record as authorized herein such electronic record shall be the record of the transaction and the electronic record shall have the same legal effect as the paper document from which it was converted. The undersigned waives any legal requirement that any documents digitally or electronically converted be embodied, stored, or reproduced in a tangible media. The undersigned further agrees that a printed or digitally reproduced copy of the electronic record shall be given the same legal force and effect as a signed writing. In addition, the undersigned authorizes and agrees to destruction of the paper documents by the Lender upon conversion of the paper documents to a digital or electronic record.

ASSIGNMENT. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waives settlement, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral, or in part, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone. The obligations under this Note are joint and several.

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DISBURSEMENT REQUEST AND AUTHORIZATION

Principal \$300,000.00	Loan Date 07-23-2019	Maturity 04-23-2020	Loan No 9001	Call / Coll 9B2 / 3200	Account 5020134	Officer 32109	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any Item above containing "****" has been omitted due to text length limitations.							

Borrower: Crossroads Charter Schools
1011 Central St
Kansas City, MO 64105

Lender: Commerce Bank
Kansas City Banking Center
1000 Walnut
Kansas City, MO 64106

LOAN TYPE. This is a Variable Rate Nondisclosable Draw Down Line of Credit Loan to a Corporation for \$300,000.00 due on April 23, 2020.

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

SPECIFIC PURPOSE. The specific purpose of this loan is: Current Assets/Working Capital.

DISBURSEMENT INSTRUCTIONS. Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$300,000.00 as follows:

Undisbursed Funds:	\$300,000.00
Note Principal:	\$300,000.00

CHARGES PAID IN CASH. Borrower has paid or will pay in cash as agreed the following charges:

Prepaid Finance Charges Paid in Cash:	\$100.00
\$100.00 Loan Processing Fee Discounted	
Total Charges Paid in Cash:	\$100.00

AUTOMATIC PAYMENTS. Borrower hereby authorizes Lender automatically to deduct from Borrower's Checking account, numbered 42308, the amount of any loan payment. If the funds in the account are insufficient to cover any payment, Lender shall not be obligated to advance funds to cover the payment. At any time and for any reason, Borrower or Lender may voluntarily terminate Automatic Payments.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING AN ACCOUNT. 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 or business opening an account. What this means: When an account is opened, we will ask for information that will allow us to identify our customers (such as name, address, date of birth, etc.). We may also ask to see other documentation such as driver's license, articles of incorporation, partnership agreements or other identifying documents.

ROUTING NUMBER. 101000019 - DDA.

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED JULY 23, 2019.

BORROWER:

CROSSROADS CHARTER SCHOOLS

By: Dean R. Johnson, Executive Director of Crossroads Charter Schools

CORPORATE RESOLUTION TO BORROW / GRANT COLLATERAL / SUBORDINATE DEBT

Principal \$300,000.00	Loan Date 07-23-2019	Maturity 04-23-2020	Loan No 9001	Call / Coll 9B2 / 3200	Account 5020134	Officer 32109	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Corporation: Crossroads Charter Schools 1011 Central St Kansas City, MO 64105	Lender: Commerce Bank Kansas City Banking Center 1000 Walnut Kansas City, MO 64106
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I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE CORPORATION'S EXISTENCE. The complete and correct name of the Corporation is Crossroads Charter Schools ("Corporation"). The Corporation is a non-profit corporation which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Missouri. The Corporation is duly authorized to transact business in all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Corporation is doing business. Specifically, the Corporation is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Corporation maintains an office at 1011 Central St., Kansas City, MO 64105. Unless the Corporation has designated otherwise in writing, the principal office is the office at which the Corporation keeps its books and records. The Corporation will notify Lender prior to any change in the location of the Corporation's state of organization or any change in the Corporation's name. The Corporation shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation and the Corporation's business activities.

RESOLUTIONS ADOPTED. At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Board of Directors then at a meeting of the Corporation's shareholders, duly called and held on _____ at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

OFFICER. The following named person is an officer of Crossroads Charter Schools:

<u>NAMES</u>	<u>TITLES</u>	<u>AUTHORIZED</u>	<u>ACTUAL SIGNATURES</u>
Dean R. Johnson	Executive Director	Y X	

ACTIONS AUTHORIZED. The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Corporation. Specifically, but without limitation, the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Corporation:

Borrow Money. To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Corporation and Lender, such sum or sums of money as in his or her judgment should be borrowed, without limitation.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Corporation's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Corporation's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Corporation or in which the Corporation now or hereafter may have an interest, including without limitation all of the Corporation's real property and all of the Corporation's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Corporation to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

Subordination. To subordinate, in all respects, any and all present and future indebtedness, obligations, liabilities, claims, rights, and demands of any kind which may be owed, now or hereafter, from any person or entity to the Corporation to all present and future indebtedness, obligations, liabilities, claims, rights, and demands of any kind which may be owed, now or hereafter, from such person or entity to Lender. Subordinated Indebtedness, together with subordination by the Corporation of any and all security interests of any kind, whether now existing or hereafter acquired, securing payment or performance of the Subordinated Indebtedness; all on such subordination terms as may be agreed upon between the Corporation's Officers and Lender and in such amounts as in his or her judgment should be subordinated.

Negotiate Items. To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Corporation or in which the Corporation may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Corporation's account with Lender, or to cause such other disposition of the proceeds derived therefrom as he or she may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, including agreements waiving the right to a trial by jury, as the officer may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from the Corporation, at Lender's address shown above, written notice of revocation of such authority: Dean R. Johnson, Executive Director of Crossroads Charter Schools.

ASSUMED BUSINESS NAMES. The Corporation has filed or recorded all documents or filings required by law relating to all assumed business names used by the Corporation. Excluding the name of the Corporation, the following is a complete list of all assumed business names under which the Corporation does business: None.

NOTICES TO LENDER. The Corporation will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Corporation's name; (B) change in the Corporation's assumed business name(s); (C) change in the management of the Corporation; (D) change in the authorized signer(s); (E) change in the Corporation's principal office address; (F) change in the Corporation's state of organization; (G) conversion of the Corporation to a new or different type of business entity; or (H) change in any other aspect of the Corporation that directly or indirectly relates to any agreements between the Corporation and Lender. No change in the Corporation's name or state of organization will take effect until after Lender has received notice.

ADDITIONAL ACTIONS AUTHORIZED. Be it further resolved that any one of the persons authorized to execute notes on behalf of this Corporation is hereby authorized to execute letter of credit applications, agreements with respect to electronic letters of credit, letter of credit reimbursement agreements, or other documents or agreements with respect to commercial or stand-by letters of credit for the benefit of this Corporation.

CERTIFICATION CONCERNING ADDITIONAL APPROVAL REQUIRED BY COMPANY'S ORGANIZATIONAL DOCUMENTS. Company certifies that all approvals and other conditions precedent required under Company's organizational documents for Company to enter into the Loan Agreement, Note or Notes, and other Related Documents contemplated herein have been properly obtained and met.

CERTIFICATION CONCERNING OFFICERS AND RESOLUTIONS. The officer named above is duly elected, appointed, or employed by or for the Corporation, as the case may be, and occupies the position set opposite his or her respective name. This Resolution now stands of record on the books of the Corporation, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

NO CORPORATE SEAL. The Corporation has no corporate seal, and therefore, no seal is affixed to this Resolution.

CONTINUING VALIDITY. Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are

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Lexipia, Inc. 19.11.2019. Corp. Rights USA Corporation 1997, 2019. All rights reserved. - NO LICENSING/REPRODUCTION PERMITTED

NOTE: If the officer signing this Resolution is designated by the foregoing document as one of the officers authorized to act on the Corporation's behalf, it is advisable to have this Resolution signed by at least one non-authorized officer of the Corporation.

X _____
Corporate Secretary

CERTIFIED TO AND ATTESTED BY:

I have read all the provisions of this Resolution, and I personally and on behalf of the Corporation certify that all statements and representations made in this Resolution are true and correct. This Corporate Resolution to Borrow / Grant Collateral / Subordinate Debt is dated July 23, 2019. IN TESTIMONY WHEREOF, I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine signature. hereby ratified and approved. This Resolution shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

BUSINESS LOAN AGREEMENT

Principal \$300,000.00	Loan Date 07-23-2019	Maturity 04-23-2020	Loan No 9001	Call / Coll 9B2 / 3200	Account 5020134	Officer 32109	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Crossroads Charter Schools
1011 Central St
Kansas City, MO 64105

Lender: Commerce Bank
Kansas City Banking Center
1000 Walnut
Kansas City, MO 64106

THIS BUSINESS LOAN AGREEMENT dated July 23, 2019, is made and executed between Crossroads Charter Schools ("Borrower") and Commerce Bank ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

TERM. This Agreement shall be effective as of July 23, 2019, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

LINE OF CREDIT. The indebtedness contemplates multiple loan advances. Advances under the indebtedness, as well as directions for payment from Borrower's accounts, may be requested either orally or in writing by Borrower. Lender may, but need not require that all non-written requests be confirmed in writing. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person as described in the "Advance Authority" section below or (B) credited to any of Borrower's accounts with Lender.

ADVANCE AUTHORITY. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: Dean R. Johnson, Executive Director of Crossroads Charter Schools.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the Initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension, or modification of any Loan, and at all times any indebtedness exists:

Organization. Borrower is a non-profit corporation which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Missouri. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 1011 Central St., Kansas City, MO 64105. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: None.

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of: (a) Borrower's articles of incorporation or organization, or bylaws, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal,

BUSINESS LOAN AGREEMENT (Continued)

release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records and reports at all reasonable times.

Financial Statements. Furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than 180 days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, audited by a certified public accountant satisfactory to Lender.

Interim Statements. As soon as available, but in no event later than 45 days after the end of each fiscal quarter, Borrower's balance sheet and profit and loss statement for the period ended, prepared by Borrower.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverages in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such endorsements payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraisal satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any agreement.

Loan Proceeds. Use all loan proceeds solely for the following specific purposes: Funding Building Improvements.

Taxes, Charges and Liens. Pay and discharge, when due, all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, taxes and liens of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all liability claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim, as to the date on which penalties would attach, and all liability claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Borrower will have an independent appraisal satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Loan Proceeds. Use all loan proceeds solely for the following specific purposes: Funding Building Improvements.

Taxes, Charges and Liens. Pay and discharge, when due, all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, taxes and liens of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all liability claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim, as to the date on which penalties would attach, and all liability claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Borrower will have an independent appraisal satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any agreement.

Loan Proceeds. Use all loan proceeds solely for the following specific purposes: Funding Building Improvements.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel, provide written notice to Lender of any change in executive and management personnel, conduct its business and operations in a reasonable and prudent manner.

Environmental Matters. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relating to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans with Disabilities Act. Borrower may contest in good faith any such law, ordinance, regulation or rule, and without compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's books, accounts, and records, and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Compliance Certificates. Unless waived in writing by Lender, provide Lender within thirty (30) days after the end of each month, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no Event of Default exists under this Agreement.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, mortgages, deeds of trust, security agreements,

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: 9001

Page 3

assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

RECOVERY OF ADDITIONAL COSTS. If the imposition of or any change in any law, rule, regulation, guideline, or generally accepted accounting principle, or the interpretation or application of any thereof by any court, administrative or governmental authority, or standard-setting organization (including any request or policy not having the force of law) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations which would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Related Documents, or (C) reduce the rate of return on Lender's capital as a consequence of Lender's obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefor, within five (5) days after Lender's written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases; (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged; (2) cease operations, liquidate, merge or restructure as a legal entity (whether by division or otherwise), consolidate with or acquire any other entity, change its name, convert to another type of entity or redomesticate, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) pay any dividends on Borrower's stock (other than dividends payable in its stock), provided however that notwithstanding the foregoing, but only so long as no Event of Default has occurred and is continuing or would result from the payment of dividends, if Borrower is a "Subchapter S Corporation" (as defined in the Internal Revenue Code of 1986, as amended), Borrower may pay cash dividends on its stock to its shareholders from time to time in amounts necessary to enable the shareholders to pay income taxes and make estimated income tax payments to satisfy their liabilities under federal and state law which arise solely from their status as Shareholders of a Subchapter S Corporation because of their ownership of shares of Borrower's stock, or purchase or retire any of Borrower's outstanding shares or alter or amend Borrower's capital structure.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity; (2) purchase, create or acquire any interest in any other enterprise or entity; or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to recourse loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Insecurity. Lender in good faith believes itself insecure.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all Indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies

BUSINESS LOAN AGREEMENT (Continued)

provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

ELECTRONIC RECORDS. The undersigned agrees that this document and all paper records related to the transaction with which this document is a part and whether or not the paper records were submitted in advance of, contemporaneously with or subsequent to, the execution of this document may, at the option of the Lender, be converted by any digital or electronic method or process to an electronic record or subsequently further converted to another electronic record format or electronic storage medium. The undersigned further agrees that upon conversion to an electronic record as authorized herein such electronic record shall be the record of the transaction and the electronic record shall have the same legal force and effect as the paper documents from which it was converted. The undersigned waives any legal requirement that any documents digitally or electronically converted be embedded, stored, or reproduced in a tangible media. The undersigned further agrees that a printed or digitally reproduced copy of the electronic record shall be given the same legal force and effect as a signed writing. In addition, the undersigned authorizes and agrees to destruction of the paper documents by the Lender upon conversion of the paper documents to a digital or electronic record.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees. Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy. Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligations under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interest may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Missouri without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Missouri.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of the Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Nevertheless, the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by teletransmittal (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified, or registered mail postage prepaid, directed to the address shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed of all changes to Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower shall be deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the remaining provisions illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in extending Loan Advances, Lender is relying on all representations and warranties made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the extension of Loan Advances and delivery to Lender of the Related Documents, shall be deemed made and redated by Borrower at the time each Loan Advance is made, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement.

Advance. The word "Advance" means a disbursement of Loan Funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means Crossroads Charter Schools and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether given in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a

Jul. 25. 2019 3:00PM
Crossroads Charter Schools - August Board Meeting (Board Retreat) - Agenda - Saturday August 17, 2019 at 9:00 AM

BUSINESS LOAN AGREEMENT (Continued)

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: 9001

Page 5

security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means Commerce Bank, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

Note. The word "Note" means the Note dated July 23, 2019 and executed by Crossroads Charter Schools in the principal amount of \$300,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Permitted Liens. The words "Permitted Liens" mean (1) liens and security interests securing indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

Security Interest. The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT. TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

WAIVE JURY. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED JULY 23, 2019.

BORROWER:

CROSSROADS CHARTER SCHOOLS

By: _____
Dean R. Johnson, Executive Director of Crossroads Charter Schools

LENDER:

COMMERCE BANK

By: _____
Authorized Signer

COMPLIANCE CERTIFICATE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$300,000.00	07-23-2019	04-23-2020	9001	9B2 / 3200	5020134	32109	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "***" has been omitted due to text length limitations.							

Borrower: Crossroads Charter Schools
 1011 Central St
 Kansas City, MO 64105

Lender: Commerce Bank
 Kansas City Banking Center
 1000 Walnut
 Kansas City, MO 64106

This Compliance Certificate is provided with respect to the period ending _____.

The undersigned has personally reviewed the attached financial statements and has compared the results of the Borrower's performance to the financial covenants contained in the Loan Agreement (as amended, supplemented, replaced or otherwise modified from time to time) now in effect between the Borrower and Lender and has also reviewed the non-financial covenants contained in the Loan Agreement and other loan documents in effect between the Borrower and Lender.

Based upon such review, and mindful that Lender will be relying upon this certification in extending, or continuing to extend, credit to the Borrower, I certify that:

- a) the financial statements delivered to you with this Compliance Certificate present fairly the financial condition of the Borrower and the results of its operations as of the dates of such statements and for the fiscal periods then ended, and since the date of the latest of such statements there has been no material adverse change in its financial position or its operations.
- b) the Borrower is in full compliance with all terms, conditions, covenants and provisions of the Loan Agreement and other loan documents, except as follows:

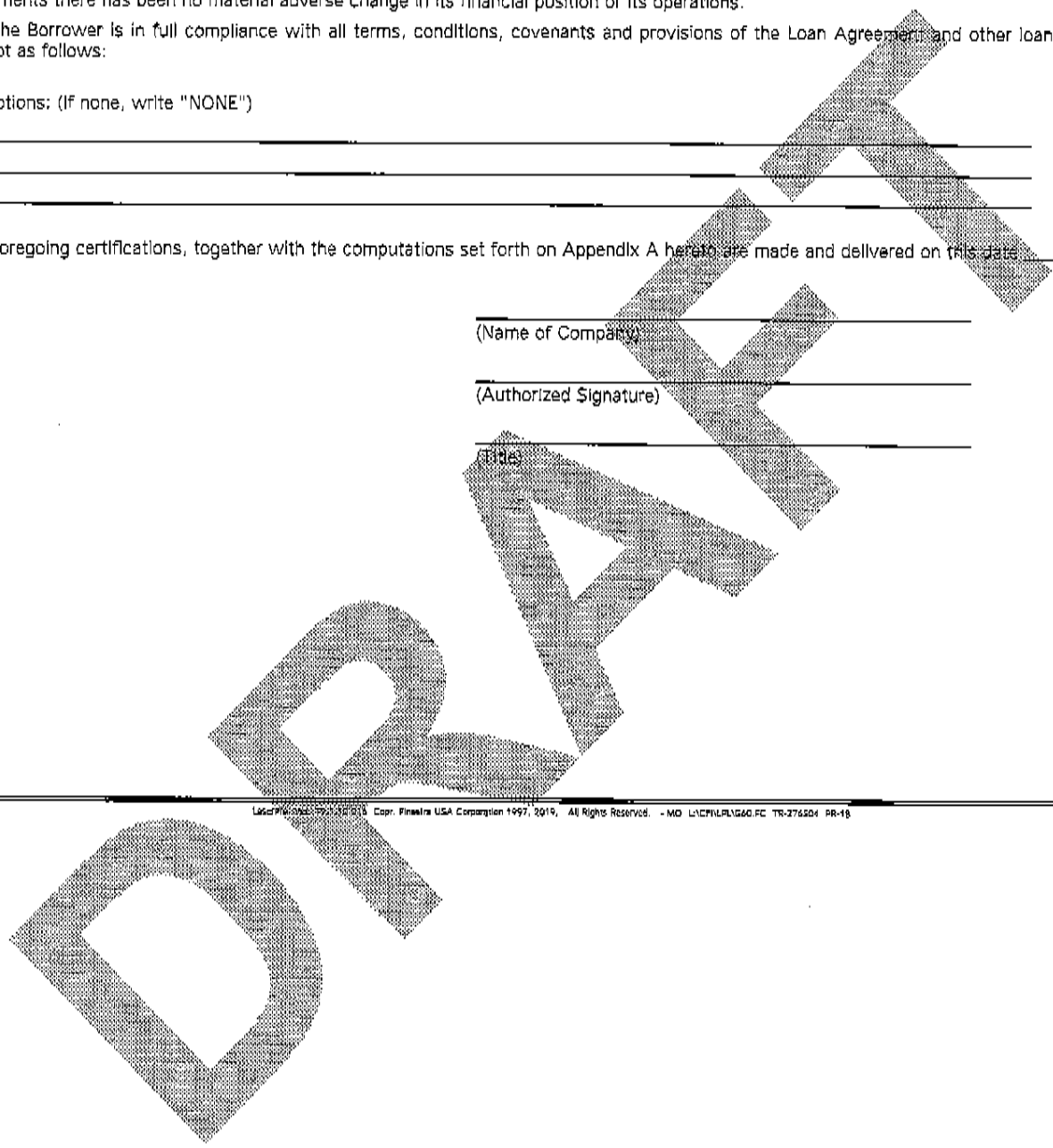
Exceptions: (If none, write "NONE")

The foregoing certifications, together with the computations set forth on Appendix A hereto are made and delivered on this date _____.

 (Name of Company)

 (Authorized Signature)

 Title



Coversheet

Land Option Extension

Section: II. Financials
Item: D. Land Option Extension
Purpose: Vote
Submitted by:
Related Material: 2nd Amend to Option Agmt (8-16-2019).pdf

SECOND AMENDMENT TO PURCHASE OPTION AGREEMENT

This **SECOND AMENDMENT TO PURCHASE OPTION AGREEMENT** (“Amendment”) is made this ____ day of August, 2019 (the “Effective Date”), by and between BROADWAY SQUARE PARTNERS, LLP, a Missouri limited liability partnership (the “Seller”), and CROSSROADS CHARTER SCHOOLS, a Missouri nonprofit corporation (the “Purchaser”).

RECITALS

A. Purchaser and Seller are parties to that certain Purchase Option Agreement, dated May 30, 2018, as amended by that certain letter agreement dated February 25, 2019 (collectively, the “Option Agreement”) by which, Purchaser was granted an option to purchase from Seller that certain real property commonly known as 900 Washington Street, Kansas City, Jackson County, Missouri, and being more particularly described in the Option Agreement (the “Property”).

B. Purchaser and Seller desire to amend the Option Agreement subject to the terms and provisions of this Amendment.

AMENDMENT

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Purchaser and Seller agree to amend the Option Agreement as follows:

1. Initial Term. Section 5.A. of the Option Agreement is hereby deleted and replaced with a new Section 5.A., providing as follows:

“A. The term of this Agreement shall commence on the Effective Date and shall expire on March 31, 2020 (the “Term”).”

2. Renewal Term. Section 5.B. of the Option Agreement is hereby deleted and of no further force or effect. As a result, any reference(s) within the Option Agreement to a Renewal Term, Renewal Notice or Option Renewal Fee, or any rights in and to a Renewal Term, Renewal Notice or Option Renewal Fee, are of no further force or effect whatsoever.

3. Full Force and Effect; Option Agreement as Amended. Whether or not specifically provided for in this Amendment, the Option Agreement shall be amended and re-paginated, to the extent necessary, to give full force and effect to the terms and provisions of this Amendment.

4. Broker’s Commissions. Purchaser and Seller each warrant and represent to the other that neither has made contact, or agreed, with any other broker or real estate agent regarding this Amendment, and Purchaser and Seller hereby agree to defend and indemnify the other, as applicable, against the claims of all brokers or agents as such claims relate to the Option Agreement and this Amendment.

5. Conflict. In the event of any conflict, inconsistency, variance or contradiction between any provision(s) of this Amendment and any of the provision(s) of the Option Agreement, the applicable provision(s) of this Amendment shall in all respects supersede, govern and control.

6. Option Agreement, Remaining Terms. Seller and Purchaser hereby ratify and confirm the un-amended terms and provisions of the Option Agreement. In particular, the Option Agreement as amended by this Amendment shall remain, and be, in full force and effect in accordance with the terms of the Option Agreement and this Amendment. As of the Effective Date, Purchaser certifies to Seller that the Option Agreement is in full force and effect, that Seller is not in default or breach of any of Seller's obligations under the Option Agreement, and that Purchaser is unaware of any condition or circumstance which, but for the passage of time or the delivery of notice, would constitute a default by Seller under the Option Agreement. Likewise, Seller certifies to Purchaser that the Option Agreement is in full force and effect, that Purchaser is not in default or breach of any of Purchaser's obligations under the Option Agreement, and that Seller is unaware of any condition or circumstance which, but for the passage of time or the delivery of notice, would constitute a default by Purchaser under the Option Agreement.

7. Further Assurances. The parties agree to execute and deliver such further instruments and do such further acts and things as may be required to carry out the intent and purpose of this Amendment.

8. Binding Effect; Integration. The provisions of this Amendment shall be binding upon and inure to the benefit of the Seller and Purchaser, and their respective successors and assigns. This Amendment embodies and constitutes the entire understanding between Seller and Purchaser with respect to the subject matter hereof and all prior agreements, representations and statements, oral or written, relating to the subject matter hereof, are merged into this Amendment.

9. Choice of Law. This Amendment shall be governed by the laws of the State of Missouri without regard to conflicts of law principles.

10. Counterparts; Electronic Signatures. This Amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called .pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment had been delivered and had been signed using a handwritten signature. Seller and Purchaser: (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment is intended to authenticate this writing and to have the same force and effect as a manual signature; (ii) intend

to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means; (iii) are aware that the other party will rely on such signatures; and (iv) hereby waive any defenses to the enforcement of the terms of this Amendment based on the foregoing forms of signature. If this Amendment has been executed by electronic signature, all parties executing this document are expressly consenting under the Electronic Signatures in Global and National Commerce Act (“E-SIGN”), and Uniform Electronic Transactions Act (“UETA”), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

Signatures begin on following page

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

PURCHASER:

CROSSROADS CHARTER SCHOOLS,
a Missouri nonprofit corporation

By: _____
Dean Johnson, Executive Director

SELLER:

BROADWAY SQUARE PARTNERS, LLP, a
Missouri limited liability partnership

By: SCOL, Inc., a Missouri corporation and partner

By: _____
Dennis Walsh, Authorized Representative

By: DST Realty, Inc., a Missouri corporation and
partner

By: _____
Patrick J. Pedonti, Authorized
Representative

ACKNOWLEDGEMENT BY ESCROW AGENT

By its signature below Escrow Agent hereby acknowledges and confirms the changes to the Option Agreement contained in this Amendment.

Date executed by Escrow Agent

**FIRST AMERICAN TITLE INSURANCE
COMPANY**

By: _____
Sybil D. Patton, Assistant Vice President
and Manager