

CONTINUING COVENANT AGREEMENT

Dated as of November 1, 2018

between

CROSSROADS CHARTER SCHOOLS

and

CLAYTON HOLDINGS, LLC

Relating to:

\$3,500,000.00

Health and Educational Facilities Authority of the State of Missouri
Educational Facilities Revenue Bonds
(Crossroads Charter Schools)
Series 2018A

And

\$2,500,000.00

Health and Educational Facilities Authority of the State of Missouri
Educational Facilities Revenue Bonds
(Crossroads Charter Schools)
Series 2018B

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CONTINUING COVENANT AGREEMENT

This Continuing Covenant Agreement is entered into as of the 1st day of November, 2018, by and between Crossroads Charter Schools, a Missouri non-profit corporation (the “Institution”), and Clayton Holdings, LLC, a Missouri limited liability company (the “Purchaser”).

RECITALS

A. Pursuant to a Bond Trust Indenture dated as of November 1, 2018 (the “Indenture”) by and between the Health and Educational Facilities Authority of the State of Missouri (the “Authority”) and Commerce Bank, as Bond Trustee (the “Bond Trustee”), the Authority has issued its (i) Educational Facilities Revenue Bonds (Crossroads Charter Schools), Series 2018A, in the original principal amount of \$3,500,000.00 (the “Series 2018A Bonds”) and (ii) Educational Facilities Revenue Bonds (Crossroads Charter Schools), Series 2018B, in the original principal amount of \$2,500,000.00 (the “Series 2018B Bonds”) and collectively with the Series 2018A Bonds, the “Bonds”), the proceeds of which Bonds will be loaned to the Institution pursuant to a Loan Agreement dated as of November 1, 2018, by and between the Authority and the Institution (the “Loan Agreement”) for the purposes set forth therein.

B. The Purchaser, the Authority and the Institution have entered into a Purchase Contract dated as of November _____, 2018 (the “Purchase Contract”) pursuant to which the Purchaser has committed to purchase the Bonds.

C. As a condition of its agreement to purchase the Bonds, the Purchaser requires that the Institution enter into this Agreement, which is intended to supplement the terms and conditions upon which the Purchaser has agreed to purchase and hold the Bonds.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Purchaser and the Institution hereby agree as follows:

ARTICLE I. DEFINITIONS

ARTICLE II. Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“Affiliate” means, as to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to be “controlled by” any other Person if such other Person possesses, directly or indirectly, power (a) to vote 10% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managing general partners; or (b) to direct

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or cause the direction of the management and policies of such Person whether by contract or otherwise.

“Agreement” means this Continuing Covenant Agreement, as amended from time to time.

“Audited Financial Statements” means the audited balance sheet of the Institution for the fiscal year ended June 30, 2018, and the related consolidated statements of income and cash flows for such fiscal year of the Institution.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Business Day” has the meaning specified for such term in the Indenture.

“Capitalized Lease” means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

“Capitalized Lease Obligation” means Indebtedness represented by obligations under a Capitalized Lease, and the amount of such Indebtedness shall be the capitalized amount of such obligations determined in accordance with GAAP.

“Changes in Law” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, Risk-Based Capital Guideline or treaty, (b) any change in any law, rule, regulation, Risk-Based Capital Guideline or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall in each case be deemed to be a “Changes in Law,” regardless of the date enacted, adopted or issued.

“Code” means the Internal Revenue Code of 1986.

“Compliance Certificate” means a certificate substantially in the form of Exhibit A.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Debt Service” means, for the trailing twelve (12) month period ending on any determination date, the sum of (i) interest expense (including the interest component of

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Capitalized Leases, and including all fees associated with the Bonds, including, but not limited to, issuance fees, trustees fees, remarketing fees) for such period, plus (ii) principal payments required to be made with respect to Indebtedness for such period, including the amount of any Bonds required to be redeemed pursuant to the terms of the Indenture, all determined on a consolidated basis and in accordance with generally accepted accounting principles consistently applied .

“Debt Service Coverage Ratio” shall mean the ratio of EBITDA to Debt Service determined on a trailing twelve (12) month basis.

“Debtor Relief Laws” means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States of America or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“EBITDA” means, for the trailing twelve (12) month period ending on any determination date, the sum of (a) the changes in Unrestricted Net Assets (as shown on the Financial Statements of the Institution) during such period plus (b) to the extent deducted in determining such net income, the sum of (i) the interest expense during such period including the interest portion of all capitalized lease expense, plus (ii) all provisions for any Federal, state, local and/or foreign income, valued added and similar taxes made during such period (whether paid or deferred), plus (iii) all depreciation and amortization expenses during such period, plus (iv) any extraordinary losses during such period, plus (v) any losses from the sale or other disposition of property other than in the ordinary course of business during such period minus (c) to the extent added in determining such net income, the sum of (i) any extraordinary gains during such period plus (ii) any gains from the sale or other disposition of property other than in the ordinary course of business during such period, all determined on a consolidated basis and in accordance with generally accepted accounting principles consistently applied.

“ERISA” means the Employee Retirement Income Security Act of 1974 and any regulations issued pursuant thereto.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Institution within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“Event of Default” means any of the events or circumstances specified in Article VI.

“GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified

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Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession, that are applicable to the circumstances as of the date of determination, consistently applied. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in this Agreement, and either the Institution or the Purchaser shall so request, Institution and the Purchaser shall negotiate reasonably and in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; provided that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) the Institution shall provide to the Purchaser financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

“Indebtedness” of any Person means, without duplication, (a) the Obligations, (b) all obligations for money borrowed or for the deferred purchase price of property or services or in respect of reimbursement obligations under letters of credit, (c) all obligations represented by bonds, debentures, notes and accepted drafts that represent extensions of credit, (d) Capitalized Lease Obligations, (e) the amount of such Person’s net obligation to counter-parties arising under interest rate agreements determined as if all such transactions pursuant to such interest rate agreements were being terminated as of the date of determination, (f) all obligations (including, during the non-cancellable term of any lease in the nature of a title retention agreement, all future payment obligations under such lease discounted to their present value in accordance with Generally Accepted Accounting Principles) secured by any lien to which any property or asset owned or held by such Person is subject, whether or not the obligation secured thereby shall have been assumed by such Person, and (g) all obligations of other Persons which such Person has guaranteed, including, but not limited to, all obligations of such Person consisting of recourse liability with respect to accounts receivable sold or otherwise disposed of by such Person.

“Indemnified Parties” has the meaning set forth in Section 7.3.

“Investment” means, as to any Person, any acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of capital stock or other securities of another Person, (b) a loan, advance or capital contribution to, guaranty of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit. For purposes of covenant compliance, the amount of any Investment

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shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“IRS” means the United States Internal Revenue Service.

“Laws” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the Uniform Commercial Code or comparable Laws of any jurisdiction), including the interest of a purchaser of accounts receivable.

“Loan Agreement” has the meaning such term is given in the Recitals of this Agreement.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the operations, properties, condition (financial or otherwise) or prospects of the Institution; (b) a material impairment of the ability of Institution to perform its obligations under any Transaction Document; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against Institution of any Transaction Document.

“Mortgage” means that certain Deed of Trust, Assignment of Rents, Leases and Other Benefits, Security Agreement and Fixture Filing dated November 1, 2018, executed and delivered by the Institution in favor of the Bond Trustee, as such instrument is amended, modified or supplemented from time to time.

“Mortgaged Property” means the Mortgaged Property as described in the Mortgage.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Institution or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding three calendar years, has made or been obligated to make contributions.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, Institution arising under any Transaction Document and this Agreement, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest that accrues after the commencement

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by or against the Institution or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding.

“Pension Plan” means any “employee pension benefit plan” (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Institution or any ERISA Affiliate or to which the Institution or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer plan (as described in Section 4064(a) of ERISA) has made contributions at any time during the immediately preceding five (5) plan years.

“Permitted Encumbrances” shall mean, as of any particular time, (a) Liens for taxes and assessments not then delinquent, or which the Institution may, pursuant to the provisions hereof or the Transaction Documents, permit to remain unpaid, (b) the Transaction Documents and any financing statements naming the Authority or the Institution as debtor and naming the Trustee or the Authority as secured party filed to perfect the security interests granted or to be granted by any thereof, (c) the Liens and encumbrances listed on any title insurance policy, or commitment therefore, delivered to the Bond Trustee at the time of the recording of the Mortgage, (d) any Lien in favor of the Purchaser or any affiliate thereof, (e) any easements and rights of way reasonably necessary for the Mortgaged Property and which do not materially impair the value of the Mortgaged Property, (f) Liens on assets of the Institution other than assets which are collateral for the Obligations, granted in connection with indebtedness permitted by Section 5.1(f) below, (g) Liens consisting of deposits or pledges made in the ordinary course of business in connection with, or to secure payment of, obligations under workers’ compensation, unemployment insurance or similar legislation or under surety or performance bonds and (h) “Permitted Encumbrances” as defined in the Indenture, provided, that if any allowance for a Lien in the definition of Permitted Encumbrances in this Agreement is more restrictive than the allowance contained in the definition of the term Permitted Encumbrance as defined in the Indenture, then the allowance contained in this Agreement shall control.

“Person” means any individual, trustee, corporation, general partnership, limited partnership, limited liability company, joint stock company, trust, unincorporated organization, bank, business association, firm, joint venture or Governmental Authority.

“Plan” means any “employee benefit plan” (as such term is defined in Section 3(3) of ERISA) established by the Institution or any ERISA Affiliate (other than a Multiemployer Plan).

“Responsible Officer” means the president and vice-president of the Institution’s Board of Directors, the Institution’s executive director and chief operating officer and such person or persons designated by the Board of Directors of the Institution to act on behalf of the Institution as evidenced by a written certificate furnished to the Purchaser and executed by the Secretary of the Institution. Any document delivered hereunder that is signed by a Responsible Officer of Institution shall be conclusively presumed to have been authorized by all necessary corporate action on the part of such Institution and such Responsible Officer shall be conclusively presumed to have acted on behalf of Institution.

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“Security Agreement” means the Security Agreement and Assignment of Pledges Receivable dated of even date herewith, as hereafter amended, modified, restated or replaced.

“Threshold Amount” means \$500,000.00.

“Transaction Document” has the meaning specified for such term in the Indenture.

ARTICLE III. Other Interpretive Provisions.

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words “herein” and “hereunder” and words of similar import when used in any Transaction Document shall refer to such Transaction Document as a whole and not to any particular provision thereof.

(i) Unless otherwise specified herein, Article, Section, Exhibit and Schedule references are to this Agreement.

(ii) The term “including” is by way of example and not limitation.

(iii) The term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced.

(c) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

(d) Section headings herein and the other Transaction Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Transaction Document.

ARTICLE IV. Accounting Terms. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

ARTICLE V. Rounding. Any financial ratios required to be maintained by the Institution pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

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ARTICLE VI. References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to agreements (including the Transaction Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Transaction Document; and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

ARTICLE VII. THE INSTITUTION'S OBLIGATIONS

ARTICLE VIII. Payment Obligations. The Institution hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment obligations owed to the Purchaser hereunder and under the Transaction Documents and to pay any other Obligations owing to the Purchaser whether now existing or hereafter arising, irrespective of their nature, whether direct or indirect, absolute or contingent, with interest thereon at the rate or rates provided in this Agreement and such Transaction Documents and under such Obligations.

(b) The Institution shall pay within ten (10) days after demand:

(i) if an Event of Default shall have occurred, all reasonable costs and expenses of the Purchaser (including, without limitation, the fees and expenses of counsel to Purchaser) in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of its rights under this Agreement, the other Transaction Documents and such other documents which may be delivered in connection therewith; and

(ii) any amounts advanced by or on behalf of the Purchaser to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Transaction Document.

ARTICLE III. Obligations Absolute. The payment obligations of the Institution under this Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including without limitation the following:

(b) any lack of validity or enforceability of this Agreement, the Bonds or any of the other Transaction Documents;

(c) any amendment or waiver of or any consent to departure from all or any of the Transaction Documents;

(d) the existence of any claim, set off, defense or other right which the Institution may have at any time against the Purchaser, whether in connection with this

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Agreement, the other Transaction Documents, the transactions contemplated herein or therein or any unrelated transaction; or

(e) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

All fees payable pursuant to this Agreement shall be deemed to be fully earned when due and non-refundable when paid.

ARTICLE IV. Increased Costs. The Institution agrees that if any Changes in Law:

(b) limit beyond any limits applicable on the date of this Agreement the deductibility of interest on funds obtained by the Purchaser to pay any of its liabilities or subject the Purchaser to any tax, duty, fee, charge, deduction or withholding on or with respect to payments relating to the Bonds or this Agreement, or any amount paid or to be paid by the Purchaser (other than any tax measured by or based upon the overall net income of the Purchaser imposed by any jurisdiction having control over the same);

(c) impose, modify, require, make or deem applicable to the Purchaser any reserve requirement, capital or liquidity requirement or ratio, special deposit requirement, insurance assessment or premiums or similar requirement or changes in levels of reserves, deposits, insurance, capital or liquidity (including any allocation of capital or liquidity requirements or conditions) against any assets held by, deposits with or for the account of, or loans, letters of credit or commitments by, an office of the Purchaser;

(d) change the basis of taxation of payments due the Purchaser under this Agreement or the Bonds (other than by a change in taxation of the overall net income of the Purchaser); or

(e) impose upon the Purchaser any other condition with respect to such amount paid or payable to or by the Purchaser with respect to this Agreement or the Bonds;

and the result of any of the foregoing is to increase the cost to the Purchaser of making any payment or owning the Bonds, or to reduce the amount of any payment (whether of principal, interest or otherwise) receivable by the Purchaser hereunder or under any Bond Document, or to reduce the rate of return on the capital of the Purchaser or to require the Purchaser to make any payment on or calculated by reference to the gross amount of any sum received by it, in each case by an amount which the Purchaser in its reasonable judgment deems material, then:

(1) the Purchaser shall promptly notify the Institution in writing of the happening of such event, provided that the Institution shall not be required to compensate the Purchaser for any increased costs or reductions suffered more than 180 days prior to the date the Institution receives notice;

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(2) the Purchaser shall promptly deliver to the Institution a certificate stating the change which has occurred or the reserve requirements or other costs or conditions which have been imposed on the Purchaser or the request, direction or requirement with which it has complied, together with the date thereof, the amount of such increased cost, reduction or payment and a reasonably detailed description of the way in which such amount has been calculated, and the Purchaser's determination of such amounts, absent fraud or manifest error, shall be conclusive provided that the Purchaser agrees to provide the Institution with such additional relevant information as the latter may request; and

(3) the Institution shall pay to the Purchaser from time to time as specified by the Purchaser and in any event within thirty (30) days after receipt of such notice, such an amount or amounts as will compensate the Purchaser for such additional cost, reduction or payment.

(f) In addition to (but without duplication of) the foregoing, if after the date hereof the Purchaser determines that any Changes in Law or (i) compliance with any judicial, administrative, or other governmental interpretation of any law or regulation or (ii) compliance by the Purchaser with any guideline or request from any Governmental Authority (whether or not having the force of law) has the effect of requiring an increase in the amount of capital or liquidity required or expected to be maintained by the Purchaser, and the Purchaser reasonably determines that the increase is based upon its obligations hereunder and its obligation to purchase and hold the Bonds, and other similar obligations, the Institution shall pay to the Purchaser within thirty (30) days after receipt of such notice, such additional amount as shall be certified by the Purchaser to be the amount reasonably allocable to the obligations of the Purchaser to the Institution hereunder. The Purchaser shall notify the Institution of any event occurring after the date of this Agreement that will entitle the Purchaser to compensation pursuant to this Section 2.3(e) as promptly as practicable after the Purchaser obtains knowledge thereof and determines to request such compensation, provided that the Institution shall not be required to compensate the Purchaser for any increased costs or reductions suffered more than 180 days prior to the date the Institution receives notice. Determinations by the Purchaser for purposes of this Section 2.3(e) of the effect of any increase in the amount of capital or liquidity required shall, in the absence of manifest error, be conclusive as to the amount thereof, provided such determinations are made on a reasonable basis and provided further that the Purchaser agrees to provide the Institution with such additional relevant information as the Institution may request. All references to the Purchaser in Section 2.3(d), Section 2.3(e) and Section 2.3(f) shall be deemed to also refer to any Person controlling the Purchaser and any Participant; *provided, however*, that no such Participant shall be entitled to receive payment hereunder of any amount greater than the

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amount which would have been payable had the Purchaser not granted a participation to the Participant.

(g) The protection of this Section 2.3 hereof shall be available to the Purchaser regardless of any possible contention of invalidity or inapplicability of the law, regulation or condition which has been imposed; *provided, however*, that if it shall be later determined that any amount so paid by the Institution pursuant to Section 2.3 hereof is in excess of the amount payable under the provisions hereof, or the Purchaser shall receive a refund of, or credit for, any amounts for which it has been previously reimbursed by the Institution under the provisions hereof, the Purchaser shall promptly refund such excess amount to the Institution.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

The Institution represents and warrants to the Purchaser that:

ARTICLE VI. Incorporation of Representations. The Institution hereby incorporates each representation contained in Section 2.2 of each Loan Agreement and makes such representations to the Purchaser as if such representations are fully set forth herein.

ARTICLE VII. Binding Effect. This Agreement has been, and each other Transaction Document, when delivered hereunder, will have been duly executed and delivered by Institution. This Agreement constitutes, and each other Transaction Document when so delivered will constitute, a legal, valid and binding obligation of Institution, enforceable against Institution in accordance with its terms.

ARTICLE VIII. Financial Statements; No Material Adverse Effect.

(b) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Institution as of the date thereof and the results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Institution as of the date thereof, including liabilities for taxes, material commitments and Indebtedness in accordance with GAAP consistently applied throughout the period covered thereby.

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance that has or could reasonably be expected to have a Material Adverse Effect.

ARTICLE IX. No Default. The Institution is not in default under or with respect to any Contractual Obligation which could be reasonably expected to have a Material Adverse Effect.

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No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Transaction Document.

ARTICLE X. Ownership of Mortgaged Property; Liens. The Institution has good record and marketable title in fee simple to, or valid leasehold interests in, the Mortgaged Property and all other real property necessary or used in the ordinary conduct of its business, except for such defects in title as would not, individually or in the aggregate, have a Material Adverse Effect. As of the date of this Agreement, the Mortgaged Property is subject to no Liens, other than Liens which constitute Permitted Encumbrances.

ARTICLE XI. Insurance. The properties of the Institution are insured with financially sound and reputable insurance companies not Affiliates of the Institution, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Institution operates.

ARTICLE XII. Taxes. The Institution has filed all Federal, state and other material tax returns and reports required to be filed, and has paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon it or its properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against the Institution that would, if made, have a Material Adverse Effect.

ARTICLE XIII. ERISA Plans. The Institution is in compliance with ERISA with respect to all Pension Plans and no “reportable event” as defined by ERISA with respect to such Pension Plans has occurred.

ARTICLE XIV. Margin Regulations. The Institution is not engaged in the business of extending credit for the purpose of purchasing or carrying any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System of the United States). If requested by the Purchaser, the Institution will furnish to the Purchaser statements in conformity with the requirements of the Federal Reserve Form U-I referred to in Regulation U of said Board of Governors.

ARTICLE XV. Investment Company Act. The Institution is not an “investment company” or a company controlled by an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

ARTICLE XVI. Solvency. After giving effect to the issuance of the Bonds, the Institution is solvent, having assets of a fair value which exceeds the amount required to pay its debts (including contingent, subordinated, unmatured and unliquidated liabilities) as they become absolute and matured, and the Institution is able to and anticipates that it will be able to meet its

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debts as they mature and has adequate capital to conduct its business in which it is or proposes to be engaged.

ARTICLE XVII. Tax Exempt Status. The Institution has taken all actions necessary to date to maintain the tax-exempt status of the interest on the Bonds.

ARTICLE XVIII. Disclosure. No statement, information, report, representation, or warranty made by Institution in any Transaction Document or furnished to the Purchaser by or on behalf of Institution in connection with any Transaction Document contains any untrue statement of a material fact or omits any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

ARTICLE XIX. Accreditation and Sponsorship. The Institution currently maintains all accreditations necessary for the conduct of its operations and maintains a sponsorship agreement with the University of Central Missouri. The Institution is in good standing with respect to all accreditations and such sponsorship agreement and has not received any notice of adverse action with respect to, or default under, its accreditations or its sponsorship.

ARTICLE XX. No Bond Rating; DTC; Offering Document; CUSIP; No Placement Agreement. The Bonds have not been (a) assigned a separate rating by any rating agency, (b) registered with The Depository Trust Company or any other securities depository, (c) assigned a CUSIP number, (d) issued pursuant to any type of offering document or official statement or (e) placed or offered by a broker-dealer in the capacity of an underwriter or placement agent.

ARTICLE XXI. AFFIRMATIVE COVENANTS

The Institution agrees that so as long as the Purchaser is the holder of any Bonds, the Institution will:

ARTICLE XXII. Financial Statements. Deliver, or cause to be delivered, to the Purchaser, in form and detail satisfactory to the Purchaser:

(b) as soon as available, but in any event within one hundred eighty (180) days after the end of each fiscal year of the Institution, a statement of financial position (balance sheet) of the Institution as at the end of such fiscal year, and the related statement of activities (income statement) for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Purchaser, which report and opinion shall be prepared in accordance with GAAP and shall not be subject to any qualifications or exceptions as to the scope of the audit nor to any qualifications and exceptions not reasonably acceptable to the Purchaser; and

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(c) as soon as available, but in any event within forty-five (45) days after the end of each fiscal quarter of the Institution, an operating statement (budget to actual), a statement of financial position (balance sheet) of the Institution as at the end of such fiscal quarter, and the related statement of activities (income statement) for such fiscal quarter and for the portion of the fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by Chief Financial Officer of the Institution as fairly presenting the financial condition, results of operations and cash flows of the Institution in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

(d) not later than thirty (30) days after the start of any fiscal year, the annual approved operating budget of the Institution for such fiscal year.

ARTICLE XXIII. Certificates; Other Information. Deliver, or cause to be delivered, to the Purchaser, in form and detail reasonably satisfactory to the Purchaser:

(b) concurrently with the delivery of the financial statements referred to in Section 4.1(a) and (b), (i) a duly completed Compliance Certificate in the form of Exhibit A hereto signed by a Responsible Officer of the Institution and (ii) a disclosure of all contingent liabilities of the Institution;

(c) concurrently with the delivery of the financial statements referred to in Section 4.1(a) or 4.1(b), as applicable, a copy of the calculation of financial covenant provided to other creditors and incorporated herein by virtue of Section 4.12 below;

(d) promptly after requested by the Purchaser, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of the Institution by independent accountants in connection with the accounts or books of the Institution; and

(e) promptly, such additional information regarding the operations, financial or corporate affairs of the Institution as the Purchaser may from time to time reasonably request.

ARTICLE XXIV. Notices. Promptly notify the Purchaser:

(b) of the occurrence of any Default or Event of Default;

(c) of any matter that has resulted or is reasonably likely to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of the Institution; (ii) any dispute, litigation, investigation, proceeding or suspension between the Institution and any Governmental Authority; (iii) the commencement of, or any material development in, any litigation or proceeding affecting the Institution, including pursuant to any applicable environmental

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laws; (iv) the loss of any accreditation which is material to the operations of the Institution as conducted as of the date of this Agreement; or (v) the loss of, or the occurrence of any default by the Institution under, its sponsorship agreement with the University of Central Missouri;

(d) of any litigation, investigation or proceeding affecting the Institution in which the amount involved exceeds the Threshold Amount, or in which injunctive relief or similar relief is sought, which relief, if granted, could be reasonably expected to have a Material Adverse Effect;

(e) of any event which would constitute a reportable event under Section 4043(b) of Title IV of ERISA with respect to any employee pension or other benefit plan of the Institution subject to such Title has occurred (other than an event for which the 30 day notice requirement to the PBGC has been waived), or that the PBGC or the Institution has instituted or will institute proceedings under such Title to terminate such plan, the Institution will deliver to the Purchaser a certificate of the chief financial officer of the Institution, setting forth details as to such reportable event and the action which the Institution proposes to take with respect thereto, together with a copy of any notice of such reportable event which may be required to be filed with the PBGC, or any notice delivered by the PBGC evidencing its intent to institute such proceedings, or any notice of the PBGC that the plan is to be terminated, as the case may be. For the purposes of this covenant, Institution shall be deemed to have knowledge of all facts attributable to the plan administrator under such Title IV. If the Purchaser so requests or if any annual report referred to in this sentence describes an event for which the 30 day notice period to the PBGC has been waived, Institution shall furnish the Purchaser (or cause the plan administrator to furnish the Purchaser) with the annual report for each plan covered by such Title IV and filed with the Internal Revenue Service not later than ten days after such report has been filed; and

(f) of any material change in accounting policies or financial reporting practices by the Institution.

Each notice pursuant to this Section shall be accompanied by a statement of a Responsible Officer of the Institution setting forth details of the occurrence referred to therein and stating what action the Institution has taken and proposes to take with respect thereto. Each notice pursuant to Section 4.3(a) shall describe with particularity any and all provisions of this Agreement or other Transaction Document that have been breached.

ARTICLE XXV. Payment of Obligations. Pay and discharge as the same shall become due and payable, all its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings and adequate reserves in accordance with GAAP are being maintained by the Institution; (b) all lawful claims which, if unpaid, would by law become a Lien upon its property involving amounts in excess of the Threshold Amount, but

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not until such claims could become such a Lien; and (c) all Indebtedness in excess of the Threshold Amount, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

ARTICLE XXVI. Preservation of Existence, Etc. Preserve, renew and maintain in full force and effect its legal existence as a private non-profit corporation, a “Tax Exempt Organization” (as defined in the Indenture) and remain in good standing under the Laws of the jurisdiction of its organization; take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its operations; and preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

ARTICLE XXVII. Maintenance of Properties. Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; and (b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

ARTICLE XXVIII. Maintenance of Insurance. Maintain with financially sound and reputable insurance companies, insurance with respect to its properties and operations against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar operations, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons, including, without limitation, insurance required pursuant to the terms of the Mortgage.

ARTICLE XXIX. Compliance with Laws. Comply in all material respects with the requirements of all Laws applicable to it or to its operations or property including, without limitation, ERISA and laws applicable to “educational institutions” under the Missouri Health and Educational Facilities Authority Act, Chapter 360 of the Revised Statutes of Missouri, as amended, except in such instances in which (a) such requirement of Law is being contested in good faith or a bona fide dispute exists with respect thereto; or (b) the failure to comply therewith could not be reasonably expected to have a Material Adverse Effect.

ARTICLE XXX. Books and Records. Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and operations of the Institution, as the case may be.

ARTICLE XXXI. Inspection Rights. Permit representatives and independent contractors of the Purchaser to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at such reasonable times during normal business hours and at reasonable intervals, upon reasonable advance notice to the Institution; provided, however, that when an Event of Default exists the Purchaser (or any of their respective representatives or independent contractors) may do any of

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the foregoing at the expense of the Institution at any time during normal business hours and without advance notice.

ARTICLE XXXII. Financial Covenant. Maintain a Debt Service Coverage Ratio of not less than 1.10 to 1.00 as of the end of each fiscal quarter, commencing with the fiscal quarter ending December 31, 2018, determined on a trailing twelve (12) month basis. Compliance with this Section 4.11 shall be determined based upon reporting provided by the Institution pursuant to Section 4.1(a) and (b).

ARTICLE XXXIII. Most Favored Nations. In the event the Institution has entered into or shall, directly or indirectly, enter into or otherwise consent to any credit agreement, bond purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplement or modification thereto) under which, directly or indirectly, any Person undertakes to make available or provide funds to Institution, which such agreement (or amendment thereto) provides such Person with more restrictive financial covenants than are provided to Purchaser pursuant to the Loan Agreement and/or the terms of this Agreement (including, without limitation, additional or different financial covenants which are more restrictive financial covenants), other than any such more restrictive financial covenants (including, without limitation, additional or different financial covenants which are more restrictive financial covenants) that would adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Institution shall provide Purchaser a copy of each such agreement (or amendment thereto) and such more restrictive financial covenants shall automatically be deemed to be incorporated into this Agreement for so long as such other agreement or instrument remains in effect, and Purchaser shall have the benefits of such more restrictive financial covenants as if specifically set forth herein for so long as such other agreement or instrument remains in effect. If requested by Purchaser, the Institution shall promptly enter into an amendment to this Agreement to include such more restrictive financial covenants for so long as such other agreement remains in effect; provided that Purchaser shall maintain the benefit of such more restrictive financial covenants even if the Institution fails to provide such an amendment. Any amendment of a more restrictive financial covenant by a Person benefitted thereby shall operate to amend the financial covenant as contained in this Agreement; provided, however, any waiver of a breach of a financial covenant by such other Person shall not operate as a waiver of the breach of the financial covenant for the purpose of this Agreement. Notwithstanding anything herein to the contrary, any amendment or deemed incorporation of any more restriction covenants that create amounts that are subject to arbitrage with respect to the Bonds under Internal Revenue Code Section 148 shall not be applicable to the Bonds until this agreement is formally amended and opinion of Bond Counsel has been obtained in accordance with Section 3.11 of the Tax Compliance Agreement.

ARTICLE XXXIV. Sponsorship Agreement. The Institution shall maintain all accreditations necessary for the conduct of its operations and shall take all actions necessary to maintain its sponsorship agreement with the University of Central Missouri.

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ARTICLE XXXV. Tax-Exempt Bonds. The Institution shall take all actions necessary to maintain the tax-exempt status of the Bonds.

ARTICLE XXXVI. Incorporation of Loan Agreement Covenants. The Institution hereby agrees that the covenants made by the Institution to and for the benefit of the Bond Trustee under Article V of the Loan Agreement are hereby incorporated by this reference and are deemed to be made by the Institution to the Purchaser hereunder as if expressly set forth herein, and such covenants may be enforced by the Purchaser as an obligation of the Institution hereunder, subject to the enforcement limitations elsewhere provided herein and in the Transaction Documents.

ARTICLE XXXVII. Redemption of Bonds. The Institution shall timely make deposits of funds with the Bond Trustee pursuant to Section 305 of the Indenture as necessary to cause the redemption of Bonds pursuant to Section 301(c) of the Indenture.

ARTICLE XXXVIII. Debt Service Fund. The Institution shall make all deposits into the Series 2018 Debt Service Reserve Fund, as defined in the Indenture, requested by the Bond Trustee pursuant to Section 404 of the Indenture. The Institution shall maintain the Series 2018 Debt Service Reserve Fund as required under Section 404 of the Indenture.

ARTICLE XXXIX. NEGATIVE COVENANTS

So long as any Obligation shall remain unpaid or unsatisfied, the Institution shall not directly or indirectly, without the prior written consent of the Purchaser:

ARTICLE XL. Reserved.

ARTICLE XLI. Liens. Enter into any binding agreement to, incur, create or permit to exist any pledge, lien, charge or other encumbrance of any nature whatsoever on the property of the Institution, whether now owned or hereafter acquired, other than Liens constituting Permitted Encumbrances; provided, however, that the Institution may, after giving notice thereof to the Purchaser, at its expense and in its own name and behalf contest in good faith any such lien or encumbrance and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom (provided, the Purchaser may require the establishment of reserves or the posting of a bond).

ARTICLE XLII. Fundamental Changes. (a) Merge, consolidate with or into another Person, (b) convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person or (c) fundamentally change its structure or the manner in which it holds assets or owns its assets.

ARTICLE XLIII. Change in Nature of Operations. Engage in any material operations substantially different from those operations conducted by the Institution on the date hereof.

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ARTICLE XLIV. Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of the Institution other than (a) salary, bonus, employee stock option and other compensation arrangements with directors or officers in the ordinary course of business, (b) transactions that are fully disclosed to the governing body of the Institution and expressly authorized by a resolution of the governing body of the Institution which is approved by a majority of the members of the governing body not having an interest in the transaction, and (c) transactions on overall terms at least as favorable to the Institution or its Affiliates as would be the case in an arm's-length transaction between unrelated parties of equal bargaining power.

ARTICLE XLV. Use of Proceeds. Use the proceeds of the Bonds, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

ARTICLE XLVI. Transaction Documents. Amend, supplement or otherwise modify (or permit any of the foregoing), or request or agree to any consent or waiver under, or effect or permit the cancellation, acceleration or termination of any of the Transaction Documents without the prior written consent of the Purchaser.

ARTICLE XLVII. Tax-Status. Take any action or suffer any action to be taken by others that will impair the tax-exempt status of the Bonds.

ARTICLE XLVIII. Unrestricted Funds. Take any action to restrict the Institution's unrestricted funds in a manner that such unrestricted funds are not available to repay the Obligations.

ARTICLE XLIX. EVENTS OF DEFAULT

The occurrence of any of the following events, unless waived by the Purchaser, shall constitute an Event of Default by the Institution under this Agreement:

(b) Payment. The Institution fails to pay any amount due hereunder when such amount is due and owing or fail to pay any amount due under any other Transaction Document when such amount is due and owing taking into account any applicable grace or notice and cure period in such Transaction Document.

(c) Specific Covenants. The Institution fails to perform or observe any term, covenant or agreement contained in any of Section 4.3, 4.5, 4.11, 4.12, 4.13, 4.14 or 4.16, 4.17 or Article V; or

(d) Other Defaults. The Institution fails to perform or observe any other covenant or agreement (not specified elsewhere in this Article VI) contained herein on its part to be performed or observed and such failure continues for thirty (30) days after

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written notice from Purchaser, provided, however, such failure shall not constitute an Event of Default hereunder if the default is not capable of being cured in the thirty (30) day period, the Institution has commenced attempts to cure the default within the initial thirty (30) day period, is diligently taking actions to cure default and the Institution actually cures the default within a period not exceeding sixty (60) days from the initial written notice; or

(e) Representations and Warranties. Any representation or warranty made or deemed made by the Institution herein or by the Institution, in any other Transaction Document, or in any document delivered in connection herewith or therewith proves to have been incorrect in any material respect when made or deemed made; or

(f) Cross-Default. Subject to any applicable grace periods or cure rights, the Institution (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness having an aggregate principal amount of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased or redeemed (automatically or otherwise) prior to its stated maturity; or

(g) Insolvency Proceedings, Etc. The Institution institutes or consents to the filing of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of the Institution and the appointment continues undischarged or unstayed for ninety (90) calendar days; or any proceeding under any Debtor Relief Law relating to the Institution or to all or any part of its property is instituted without the consent of the Institution and continues un-dismissed or un-stayed for ninety (90) calendar days, or an order for relief is entered in any such proceeding; or

(h) Inability to Pay Debts; Attachment. (i) The Institution becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of the Institution and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(i) Judgments. There is entered against the Institution (i) a final judgment or order for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer

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does not dispute coverage), or (ii) any non-monetary final judgment that has, or would reasonably be expected to have, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of thirty (30) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(j) Reportable ERISA Event. There shall occur a “reportable event” under Section 4043(b) of Title IV of ERISA with respect to any Pension Plan (other than an event for which the 30 day notice requirement of the PBGC has been waived) or any such Pension Plan shall be the subject of termination proceedings (whether voluntary or involuntary) and there shall result from such event or termination proceedings a liability of the Institution to the PBGC that has, or would reasonably be expected to have, a Material Adverse Effect;

(k) Invalidity of Transaction Documents. Any Transaction Document, at any time after its execution and delivery and for any reason other than the agreement of Purchaser or satisfaction in full of all the Obligations, ceases to be in full force and effect, or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any respect; or the Institution denies that it has any or further liability or obligation under any Transaction Document, or purports to revoke, terminate or rescind any Transaction Document; or

(l) Transaction Document Default. An “Event of Default” under the Loan Agreement, the Indenture, the Mortgage, the Security Agreement, or any other Transaction Document shall have occurred and be continuing; or

(m) Other Obligations to Purchaser. The Institution shall be declared by the Purchaser to be in default on or pursuant to the terms of any other obligation of the Institution to the Purchaser (taking into account any applicable notice and cure period).

Upon the occurrence of an Event of Default under this Agreement, the Purchaser shall be entitled to take any action to which it is entitled, or may request the Bond Trustee to take any enforcement action to which it is entitled, to take on account of the occurrence of an event of default under any security document or instrument delivered to the Purchaser or the Bond Trustee for the benefit of the owner of the Bonds or at law generally. The Purchaser shall further be entitled to provide written notice of the Event of Default to the Bond Trustee and may request the Bond Trustee to cause the acceleration of the Bonds pursuant to Section 802 of the Indenture.

ARTICLE L. MISCELLANEOUS

ARTICLE LI. OFAC. The Institution shall (a) ensure that no person who owns a controlling interest in or otherwise controls the Institution is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control (“OFAC”), the Department of the Treasury or included in any Executive Orders,

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that prohibits or limits Purchaser from making any advance or extension of credit to the Institution or from otherwise conducting business with the Institution and (b) ensure that the Bond proceeds shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto. Further, the Institution shall comply with all applicable Bank Secrecy Act (“BSA”) laws and regulations, as amended.

ARTICLE LII. Right of Setoff. Upon the occurrence and during the continuance of any Event of Default, the Purchaser is hereby authorized at any time and from time to time, without notice to the Institution (any such notice being expressly waived by the Institution), to set-off any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Purchaser to or for the credit or the account of the Institution, regardless of the currency of such deposits or indebtedness, against any and all of the obligations of the Institution now or hereafter existing under this Agreement, irrespective of whether or not the Purchaser shall have made any demand under this Agreement and although such obligations may be contingent and unmatured. The rights of the Purchaser under this Section are in addition to other rights and remedies which the Purchaser may have including, without limitation, other rights of set-off.

ARTICLE LIII. Indemnification. In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the Institution hereby agrees (to the extent permitted by law) to indemnify and hold harmless Purchaser and its officers, directors and agents (each, an “Indemnitee”) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys’ fees) which may incur or which may be claimed against an Indemnitee by any Person or entity whatsoever (collectively, the “Liabilities”) by reason of or in connection with (a) the execution and delivery, or payment or failure to pay under, any Transaction Document; (b) the issuance and sale of the Bonds; and (c) the use of the proceeds of the Bonds; *provided* that the Institution shall not be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or negligence of such Indemnitee. If any proceeding shall be brought or threatened against an Indemnitee by reason of or in connection with the events described in clause (a), (b) or (c) as a condition of indemnity hereunder each Indemnitee shall promptly notify the Institution in writing and the Institution shall assume the defense thereof, including the employment of counsel satisfactory to such Indemnitee and the payment of all reasonable costs of litigation. Notwithstanding the preceding sentence, each Indemnitee shall have the right to employ its own counsel and to determine its own defense of such action in any such case, but the fees and expenses of such counsel shall be at the expense of such Indemnitee unless (i) the employment of such counsel shall have been authorized in writing by the Institution, or (ii) the Institution, after due notice of the action, shall not have employed counsel satisfactory to such Indemnitee to have charge of such defense, in either of which events the reasonable fees and expenses of counsel for such Indemnitee shall be borne by the Institution. The Institution shall not be liable for any settlement of any such action effected without its consent. Nothing under this Section 5.01 is intended to limit the Institution’s payment of the Purchaser Obligations. The

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obligations of the Institution under this Section shall survive the payment of the Bonds and the termination of this Agreement.

ARTICLE LIV. Costs, Expenses and Taxes. The Institution agrees to pay on demand all reasonable costs and expenses of the Purchaser in connection with the preparation, execution, delivery and administration of the Purchase Contract, this Agreement and any other documents which may be delivered in connection with this Agreement or the Purchase Contract, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Purchaser with respect thereto, with respect to any opinions rendered by such counsel, and with respect to advising the Purchaser as to its rights and responsibilities under the Purchase Contract, this Agreement or any Transaction Document, and all reasonable costs and expenses in connection with the enforcement or any renegotiation or amendment of any Transaction Document.

ARTICLE LV. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ARTICLE LVI. Integration. This Agreement, together with the other Transaction Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Transaction Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Purchaser in any other Transaction Document shall not be deemed a conflict with this Agreement. Each Transaction Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

ARTICLE LVII. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Transaction Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Purchaser, regardless of any investigation made by the Purchaser, and shall continue in full force and effect as long as any Obligation shall remain unpaid or unsatisfied.

ARTICLE LVIII. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

ARTICLE LIX. Notices. Any notice which any party hereto may be required or may desire to give hereunder shall be deemed to have been given if in writing and delivered personally or by a national overnight delivery service or if mailed, postage prepaid, by United States registered or certified mail, return receipt requested, addressed as follows:

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If to the Institution: Crossroads Charter Schools
 1011 Central Street
 Kansas City, MO 64106
 Attn: Executive Director

With a copy to:

in the case of Purchaser to: Clayton Holdings, LLC
 c/o Commerce Bank
 1000 Walnut Street, 17th Floor
 Kansas City, Missouri 64106
 Attn: Dane Barkes

or to such other address or addresses as the party to be given notice may have furnished in writing to the party seeking or desiring to give notice, as a place for the giving of notice, provided that no change in address shall be effective until ten (10) days after served or given to the other party in the manner provided above. Any notice given in accordance with the foregoing shall be deemed given when delivered personally, or if mailed, two (2) business days after it shall have been deposited in the United States mails as aforesaid. Notices sent by a party's counsel shall be deemed sent by such party.

ARTICLE LX. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF MISSOURI APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE PURCHASER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

ARTICLE LXI. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns. The Institution may not assign its rights or obligations under this Agreement or the other Transaction Documents without the prior consent of the Purchaser. The Purchaser shall have the right to assign all or any portion of its interest in the Bonds, this Agreement and the other Transaction Documents to one or more Persons, provided that such assignments shall be in minimum amounts of not less than \$100,000.00 and shall be made in accordance with the requirements of the Bond Indenture. The costs of any assignment shall not be paid by the Institution, and in no event shall the Institution become subject to the terms of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, as a result of such assignment.

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ARTICLE LXII. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

ARTICLE LXIII. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

ARTICLE LXIV. No Advisory or Fiduciary Relationship. In connection with all aspects of the transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any Transaction Document), the Institution acknowledges and agrees, and acknowledges its affiliates’ understanding, that: (a) (i) the services regarding this Agreement provided by the Purchaser and any affiliate thereof are arm’s-length commercial transactions between the Institution, on the one hand, and the Purchaser and its affiliates, on the other hand, (ii) the Institution has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Institution is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Transaction Documents; (b) (i) the Purchaser and its affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Institution, or any other Person and (ii) neither the Purchaser nor any of its affiliates has any obligation to the Institution with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Transaction Documents; and (c) the Purchaser and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Institution, and neither the Purchaser nor any of its affiliates has any obligation to disclose any of such interests to the Institution. To the fullest extent permitted by law, the Institution hereby waives and releases any claims that it may have against the Purchaser or any of its affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

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ARTICLE LXV. U.S.A. PATRIOT ACT. PURCHASER HEREBY NOTIFIES THE INSTITUTION, AND INSTITUTION HEREBY ACKNOWLEDGES, THAT PURSUANT TO THE REQUIREMENTS OF THE USA PATRIOT ACT (TITLE III OF PUB. L. 107-56) (THE “ACT”), PURCHASER IS REQUIRED TO OBTAIN, VERIFY AND RECORD INFORMATION THAT IDENTIFIES THE INSTITUTION, WHICH INFORMATION INCLUDES THE NAME AND ADDRESS OF THE INSTITUTION AND OTHER INFORMATION THAT WILL ALLOW THE PURCHASER TO IDENTIFY THE INSTITUTION IN ACCORDANCE WITH THE ACT.

ARTICLE LXVI. WAIVER OF JURY TRIAL. THE PURCHASER AND THE INSTITUTION HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF THE PURCHASER OR THE INSTITUTION. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PURCHASER ENTERING INTO THIS AGREEMENT.

ARTICLE LXVII. Incorporation of Terms. Capitalized terms not defined herein shall have the meaning such terms are given in the Purchase Contract or the Indenture, as applicable.

ARTICLE LXVIII. MISSOURI STATUTORY NOTICE. 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.

[Signatures appear on the following page.]

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In Witness Whereof, the Purchaser and the Institution have executed and delivered this Agreement as of the date set forth above.

Institution:

CROSSROADS CHARTER SCHOOLS,
a Missouri non-profit corporation

By:

Name:

Title:

Purchaser:

CLAYTON HOLDINGS, LLC,
a Missouri limited liability company

By

Name:

Title:

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EXHIBIT A

COMPLIANCE CERTIFICATE

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: _____, 20__

To: Clayton Holdings, LLC

Ladies and Gentlemen:

Reference is made to that certain Continuing Covenant Agreement, dated as of November 1, 2018 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the “Agreement,” the terms defined therein being used herein as therein defined), between Crossroads Charter Schools (the “Institution”) and Clayton Holdings LLC (the “Purchaser”).

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the _____ of the Institution, and that, as such, is authorized to execute and deliver this Certificate to the Purchaser on the behalf of the Institution, and that:

[Use following for fiscal year-end financial statements]

1. Attached hereto as Schedule 1 are the year-end audited financial statements required by Section 4.1(a) of the Agreement for the fiscal year of the Institution ended as of the above date, together with the report and opinion of an independent certified public accountant required by such section.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and condition (financial or otherwise) of the Institution during the accounting period covered by the attached financial statements.

3. A review of the activities of the Institution during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the Institution performed and observed all its obligations under the Transaction Documents, and

[select one:]

[to the best knowledge of the undersigned during such fiscal period, the Institution has performed and observed each covenant and condition of the Continuing Covenant Agreement applicable to it.]

--or--

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[the following covenants or conditions have not been performed or observed and the following is a list of each such Default or Event of Default and its nature and status:]

4. The financial covenant analyses and information set forth on Schedule 2 attached hereto are true and accurate on and as of the date of this Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of

Institution:

CROSSROADS CHARTER SCHOOLS,
a Missouri non-profit corporation

By:

Name:

Title: