A RESOLUTION OF THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "ISSUER") PROVIDING FOR THE ISSUANCE BY THE ISSUER OF NOT TO EXCEED $12,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS (LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC PROJECTS), SERIES 2023 FOR THE PRINCIPAL PURPOSES OF FINANCING (OR PROVIDING FOR REIMBURSEMENT OF) CERTAIN CAPITAL IMPROVEMENT COSTS INCURRED OR TO BE INCURRED BY THE BORROWER RELATING TO THE CONSTRUCTION, ACQUISITION, IMPROVEMENT AND EQUIPPING OF CHARTER SCHOOL FACILITIES BY LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC; AUTHORIZING A DELEGATED NEGOTIATED SALE OF SUCH SERIES 2023 BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM AND A FINAL LIMITED OFFERING MEMORANDUM IN CONNECTION WITH THE SALE OF SUCH BONDS; PROVIDING CERTAIN TERMS AND DETAILS OF THE SERIES 2023 BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF SUPPLEMENTAL DOCUMENTS AND ALL OTHER RELATED INSTRUMENTS INCLUDING, WITHOUT LIMITATION, A TAX AGREEMENT; MAKING CERTAIN COVENANTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2023 BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, LEE COUNTY, FLORIDA, THAT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution, hereafter called "Resolution," is adopted pursuant to the provisions of Chapter 159, Parts II, III and VII, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms used in this Resolution shall have the meanings specified in this section and in Section 3 below. Any capitalized terms used but not otherwise defined herein shall have the meanings assigned such terms in the Loan Agreement and Indenture (as defined below.) Words importing the singular shall include the plural, words importing the plural shall include the singular, and words importing persons shall include corporations and other entities or associations.

"Act" means the Constitution and laws of the State of Florida, particularly Chapter 159, Parts II, III and VII, Florida Statutes, and other applicable provisions of law.

"Bond Counsel" means the law firm of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, or a firm of nationally recognized standing in the field of municipal finance law whose opinions are generally accepted by purchasers of public obligations and who is acceptable to the Issuer.

"Bond Documents" shall have the meaning ascribed to such term in Section 12 hereof.

"Borrower" means Lee County Community Charter Schools, LLC, a Florida limited liability company, and any successor, surviving, resulting or transferee entity as provided in the Loan Agreement.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, including, when appropriate, the statutory predecessor thereof, or any applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final or temporary regulations and also including regulations issued pursuant to the statutory predecessor of the Code), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings), and applicable court decisions.

"County" means Lee County, Florida, a political subdivision of the State.

"Indenture" means the Indenture of Trust, dated as of April 1, 2007, as amended and supplemented, and particularly as supplemented by the Second Supplemental Indenture.

"Issuer" means the Lee County Industrial Development Authority, a public body corporate and politic and an industrial development authority under the Act.

"Issuer's Counsel" means Knott Ebelini Hart, Fort Myers, Florida.

"Limited Offering Memorandum" means the Preliminary Limited Offering Memorandum and the final Limited Offering Memorandum relating to the Series 2023 Bonds, substantially in the form attached hereto as EXHIBIT A and incorporated herein by reference.

"Loan Agreement" means the Mortgage and Loan Agreement, dated as of April 1, 2007, as amended and supplemented, and particularly as supplemented by the Second Supplemental Mortgage and Loan Agreement.

"Purchase Agreement" means the Bond Purchase Agreement to be executed by and among the Issuer, the Underwriter and the Borrower, substantially in the form attached hereto as EXHIBIT B.

"Second Supplemental Indenture" means the Second Supplemental Indenture of Trust, related to the Series 2023 Bonds, to be executed by the Issuer and the Trustee, substantially in the form attached hereto as EXHIBIT D and incorporated herein by reference.

"Second Supplemental Mortgage and Loan Agreement" means the Second Supplemental Mortgage and Loan Agreement, related to the Series 2023 Bonds, to be executed by and between the Issuer and the Borrower substantially in the form attached hereto as EXHIBIT C and incorporated herein by reference.

"Secretary" means the Secretary, any Assistant Secretary or any other representative of the Issuer appointed for the purpose of attesting to the signatures of the Chairman or Vice Chairman of the Issuer.

"Series 2023 Bonds" means the Issuer's Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023 (or such other series as may be designated by the Issuer), issued pursuant to a plan of finance in one or more series or tranches of tax-exempt and taxable bonds under the Indenture substantially in the form and with the rates of interest, maturity dates and other details provided for herein and in the Indenture or established in accordance with the terms hereof and thereof, to be authorized and issued by the Issuer, authenticated by the Trustee and delivered under the Indenture.

"Series 2023 Project" means the various capital improvements to the educational facilities of the Borrower described in Section 3(B) of this Resolution and in the Loan Agreement, heretofore acquired or to be acquired, constructed and equipped in the County and owned and operated by the Borrower.

"State" means the State of Florida.

"Tax Agreement" means the Tax Exemption Agreement and Certificate to be executed by the Issuer and the Borrower in connection with the issuance of the Series 2023 Bonds.

"Trustee" means Regions Bank, and any successors or assigns, as trustee under the Indenture.

"Underwriter" means Herbert J. Sims & Co., Inc., the underwriter for the Series 2023 Bonds.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) The Issuer is a duly created industrial development authority created under the Act, and constitutes a public body corporate and politic within the meaning of the Act and is authorized by the Act to finance and refinance any capital project, including any "project" for any "education facility" as defined in the Act, including land, rights in land, buildings, machinery and other improvements essential or convenient for the orderly conduct of such "project."

(B) The Borrower has requested the Issuer to assist the Borrower by issuing not to exceed $12,000,000 in original aggregate principal amount of the Series 2023 Bonds and loaning the proceeds to the Borrower to (1) finance, refinance and reimburse the Company for the cost of various capital improvements, equipment and expansions related to its existing educational and ancillary facilities located at (a) Gateway Charter School, 12850 Commonwealth Drive, Fort Myers, Florida 33913 (anticipated to be allocated an aggregate principal amount of $1,675,000 of the Bonds), (b) Gateway Charter High School and Gateway Intermediate Charter School, 12770 Gateway Boulevard, Fort Myers, Florida 33913 (anticipated to be allocated an aggregate principal amount of $9,770,000 of the Bonds), (c) Six Mile Charter Academy, 6851 Lancer Avenue, Fort Myers, Florida 33912 (anticipated to be allocated an aggregate principal amount of $15,000 of the Bonds), and (d) Mid Cape Global Academy (f/k/a Cape Coral Charter School), 76 Mid Cape Terrace, Cape Coral, Florida 33991 (anticipated to be allocated an aggregate principal amount of $540,000 of the Bonds) (collectively, the "Series 2023 Project"), and (2) pay costs and fund necessary reserves associated with the issuance of the Series 2023 Bonds. The Series 2023 Project will continue to be leased by the Borrower to Southwest Charter Foundation, Inc. f/k/a The Lee Charter Foundation, Inc., a Florida not-for-profit corporation and sole member of the Borrower.

(C) By resolution duly adopted on September 6, 2023, in accordance with all requirements of law, upon reasonable public notice, at which meeting members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the issuance of the Series 2023 Bonds and the financing of the Series 2023 Project, the Issuer

held a public hearing and provided its preliminary approval for the issuance of the Series 2023 Bonds for such purposes.

(D) In order to expand the scope of the Series 2023 Project, on October 19, 2023, the Issuer held another public hearing in accordance with all requirements of law, upon reasonable public notice, at which meeting members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the issuance of the Series 2023 Bonds and the financing of the Series 2023 Project.

(E) Upon adoption of this Resolution, the Issuer will request that a resolution of the Board of County Commissioners of the County be considered to approve the issuance of the Series 2023 Bonds and the location and nature of the Series 2023 Project in accordance with the provisions of Chapter 125.01(z), Florida Statutes and Section 147(f) of the Code.

(F) The Borrower has represented to the Issuer that it has, after consulting with the Underwriter, determined that market and other conditions are now conducive to proceed to finance (or reimburse the Borrower for) the costs of the Series 2023 Project with the proceeds of the Series 2023 Bonds.

(G) Upon consideration of the documents described herein and the information presented to the Issuer at or prior to the adoption of this Resolution, the Issuer has made and does hereby make the following findings and determinations:

(1) The Borrower has shown that the Series 2023 Project for which the proceeds shall be used will help to alleviate unemployment in the County, will promote the economic development and health and welfare of the citizens of the County, will continue to provide residents of the County with access to additional educational school facilities, will promote the general economic structure of the County, will thereby serve the public purposes as set forth in the Act. The Series 2023 Project is desirable and furthers the public purposes of the Act, and most effectively serve and will serve the purposes of the Act, for the Issuer to finance the Series 2023 Project and to issue and sell the Series 2023 Bonds for the purposes of providing funds to finance (or reimburse the Borrower for) the costs of the Series 2023 Project, all as provided in the Loan Agreement, which contains such provisions as are necessary or convenient to effectuate the purpose of the Act.

(2) Taking into consideration representations made to the Issuer by the Borrower and based on other criteria established by the Act, as of the date hereof, the Borrower is financially responsible and fully capable and willing (a) to fulfill its obligations under the Loan Agreement, and any other agreements to be made in connection with the issuance of the Series 2023 Bonds, and the use of the bond proceeds for financing (or reimbursing the Borrower for) the costs of the Series 2023 Project, including the obligation to make loan payments or other payments due

under the Loan Agreement, or the Indenture in an amount sufficient in the aggregate to pay all of the principal of, interest and redemption premiums, if any, on the Series 2023 Bonds, in the amounts and at the times required, (b) to operate, repair and maintain at its own expense its facilities, and (c) to serve the purposes of the Act and such other responsibilities as may be imposed under such agreements.

(3) Based on the representations of the Borrower, the County and other local agencies are able to cope satisfactorily with the impact of the Series 2023 Project and are able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that are necessary for the construction, operation and equipping of the Series 2023 Project and on account of any increase in population or other circumstances resulting therefrom.

(4) Adequate provision is made under the Loan Agreement for the payment by the Borrower of the principal of, premium, if any, and interest on the Series 2023 Bonds when and as the same become due, and payment by the Borrower of all other costs in connection with the financing, acquisition, construction, installation, operation, maintenance and administration of the Series 2023 Project which are not paid out of the proceeds from the sale of the Series 2023 Bonds.

(5) The principal of, premium, if any, and interest on the Series 2023 Bonds and all other pecuniary obligations of the Issuer under the Loan Agreement, the Indenture, the Tax Agreement or otherwise, in connection with the financing (or reimbursing the Borrower for) the costs of the Series 2023 Project or otherwise in connection with the issuance of the Series 2023 Bonds, shall be payable by the Issuer solely from (a) the loan payments and other revenues and proceeds received by the Issuer under the Loan Agreement and the Indenture, (b) the operation, sale, lease or other disposition of the Series 2023 Project, including proceeds from insurance or condemnation awards and proceeds of any foreclosure or other realization upon the liens or security interests under the Loan Agreement and the Indenture, and (c) the proceeds of the Series 2023 Bonds and income from the temporary investment of the proceeds of the Series 2023 Bonds or of such other revenues and proceeds, as pledged for such payment to the Trustee under and as provided in the Indenture. Neither the faith and credit nor the taxing power of the Issuer, the County, the State or of any political subdivision or agency thereof is pledged to the payment of the Series 2023 Bonds or of such other pecuniary obligations of the Issuer, and neither the Issuer, the County, the State nor any political subdivision or agency thereof shall ever by required or obligated to levy ad valorem taxes on any property within their territorial limits to pay the principal of, purchase price, premium, if any, or interest on such Series 2023 Bonds or other pecuniary obligations or to pay the same from any funds thereof other than such revenues, receipts and proceeds so pledged, and the Series 2023 Bonds shall not constitute a lien upon any property owned by the Issuer, the County or the State or

any political subdivision or agency thereof, other than the Issuer's interest in the Loan Agreement and the property rights, receipts, revenues and proceeds pledged therefor under and as provided in the Indenture and any other agreements securing the Series 2023 Bonds. The Issuer has no taxing power.

(6) A delegated negotiated sale of the Series 2023 Bonds is required and necessary, and is in the best interest of the Issuer, for the following reasons: the Series 2023 Bonds will be special and limited obligations of the Issuer payable solely out of revenues and proceeds derived by the Issuer pursuant to the Loan Agreement and the Borrower will be obligated for the payment of all costs of the Issuer in connection with the financing (or reimbursing the Borrower for) the costs of the Series 2023 Project which are not paid out of the bond proceeds or otherwise; the costs of issuance of the Series 2023 Bonds, which will be borne directly or indirectly by the Borrower, could be greater if the Series 2023 Bonds are sold at public sale by competitive bids than if the Series 2023 Bonds are sold at negotiated sale; private activity revenue bonds having the characteristics of the Series 2023 Bonds are typically and usually sold at negotiated sale and/or privately placed; the Borrower has indicated that it may be unwilling to proceed with the financing (or reimbursing the Borrower for) the costs of the Series 2023 Project unless a negotiated sale of the Series 2023 Bonds is authorized by the Issuer; and authorization of a negotiated sale of the Series 2023 Bonds is necessary in order to serve the purposes of the Act.

(7) All requirements precedent to the adoption of this Resolution, of the Constitution and other laws of the State, including the Act, have been complied with.

(8) The purposes of the Act will be most effectively served by the acquisition, construction and equipping of the Series 2023 Project by the Borrower as an independent contractor and not as an agent of the Issuer, as provided in the Loan Agreement.

(H) The Issuer, the Borrower and the Underwriter will negotiate a sale and public offering of the Series 2023 Bonds pursuant to the provisions hereof and the Purchase Agreement. Upon or prior to closing and in accordance with Section 218.385, Florida Statutes, the Underwriter will submit to the Issuer disclosure and truth-in-bonding statements dated the date of closing setting forth any fee, bonus or gratuity paid in connection with the sale of the Series 2023 Bonds and copies of the investor letters described in Section 5(B)(4) hereof.

SECTION 4. FINANCING OF THE SERIES 2023 PROJECT AUTHORIZED. The financing of (or reimbursing the Borrower for) the costs of the

Series 2023 Project by the Issuer in the manner provided herein, the Loan Agreement and the Indenture is hereby authorized.

SECTION 5. DELEGATED SALE OF SERIES 2023 BONDS AUTHORIZED; AUTHORIZATION AND DESCRIPTION OF THE SERIES 2023 BONDS. (A) Subject to the requirements which must be satisfied in accordance with the provisions of Section 5(B) below prior to the issuance of the Series 2023 Bonds, the Issuer hereby authorizes the issuance of bonds to be known as "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023" pursuant to a plan of finance in one or more series or tranches of tax-exempt and taxable bonds for the principal purpose of financing (or reimbursing the Borrower for) the costs of the Series 2023 Project. The Series 2023 Bonds shall be issued only in accordance with the provisions hereof and the Indenture, and all the provisions hereof, and of the Indenture shall be applicable thereto.

(B) Subject to full satisfaction of the conditions set forth in this Section 5(B), the Issuer hereby authorizes a delegated negotiated sale of the Series 2023 Bonds to the Underwriter in accordance with the terms of the Purchase Agreement to be dated the date of sale of the Series 2023 Bonds and to be substantially in the form attached hereto as EXHIBIT B, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Chairman or Vice-Chairman and the Secretary in accordance with the provisions of this Section 5(B), the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth herein. The Purchase Agreement shall not be executed by the Chairman or Vice-Chairman until such time as all of the following conditions have been satisfied:

(1) Receipt by the Chairman or Vice-Chairman of a written offer to purchase the Series 2023 Bonds by the Underwriter substantially in the form of the Purchase Agreement, said offer to provide for, among other things, (a) the issuance of an initial aggregate principal amount of Series 2023 Bonds issued pursuant to this Resolution, does not exceed $12,000,000, and (b) the maturities of the Series 2023 Bonds with the final maturity no later than December 31, 2058.

(2) The issuance of the Series 2023 Bonds shall not exceed any debt limitation prescribed by law, and such Series 2023 Bonds, when issued, will be within the limits of all constitutional or statutory debt limitations.

(3) In accordance with Section 218.385, Florida Statutes, the Underwriter must submit to the Issuer a disclosure statement and truth-in-bonding statement setting forth the information required by said Section 218.385, Florida Statutes, said statements to be attached to the Purchase Agreement and incorporated herein by reference.

(4) The Series 2023 Bonds shall be sold (a) in accordance with Section 189.051, Florida Statutes; (b) in denominations of $100,000 and integral multiples of $5,000 in excess thereof; and (c) only to (i) "qualified institutional buyers" as defined in rule 144A promulgated under the Securities Act of 1933 (the "Securities Act"), and (ii) an institutional "accredited investor" as defined in Rule 501(a)(1),(2),(3) or (7) of the Securities Act. Each initial purchaser, or its representative on its behalf shall be required to execute an investor letter substantially in the form attached to the Limited Offering Memorandum.

(5) The approval of the County described in Section 3(E) hereof shall have occurred.

SECTION 6. PREPAYMENT AND OPTIONAL AND EXTRAORDINARY REDEMPTION. The Series 2023 Bonds are subject to optional, mandatory and extraordinary redemption prior to maturity in the manner, to the extent, in the amounts and at the times set forth in the Indenture.

SECTION 7. APPROVAL OF PRELIMINARY LIMITED OFFERING MEMORANDUM AND LIMITED OFFERING MEMORANDUM FOR THE SERIES 2023 BONDS. The Issuer does hereby authorize the distribution and delivery of the Limited Offering Memorandum with respect to the Series 2023 Bonds. The Limited Offering Memorandum shall be in substantially the form of the Preliminary Limited Offering Memorandum attached as EXHIBIT A hereto with such changes therein as shall be approved by the Borrower in order to reflect the final terms and details of the Series 2023 Bonds. The Issuer does hereby authorize, approve and ratify the distribution of the Preliminary Limited Offering Memorandum with respect to the Series 2023 Bonds by the Underwriter. The Preliminary Limited Offering Memorandum may be "deemed final" by a certificate of the Chairman or Vice-Chairman within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934 upon receipt of a similar certificate from the Borrower.

SECTION 8. RATIFICATION OF TRUSTEE. The Borrower's selection and continued use of Regions Bank, Little Rock, Arkansas, as Trustee under the Indenture is hereby ratified.

SECTION 9. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE SECOND SUPPLEMENTAL MORTGAGE AND LOAN AGREEMENT. The Second Supplemental Mortgage and Loan Agreement, substantially in the form attached hereto as EXHIBIT C with such corrections, insertions and deletions as may be approved by the Chairman or Vice Chairman and Secretary of the Issuer, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized; the Issuer hereby authorizes and directs the Chairman or Vice Chairman of the Issuer to date and execute and the Secretary of the Issuer to attest, under the official seal of the

Issuer, the Second Supplemental Mortgage and Loan Agreement, and to deliver the Second Supplemental Mortgage and Loan Agreement to the Borrower; and all of the provisions of the Second Supplemental Mortgage and Loan Agreement, when executed and delivered by the Issuer as authorized herein and by the Borrower, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 10. AUTHORIZATION OF EXECUTION AND DELIVERY OF THE SECOND SUPPLEMENTAL INDENTURE; AUTHORIZED DENOMINATIONS OF SERIES 2023 BONDS. The Second Supplemental Indenture, substantially in the form attached hereto as EXHIBIT D with such changes, corrections, insertions and deletions as may be approved by the Chairman or Vice Chairman and Secretary of the Issuer, such approval to be evidenced conclusively by their execution thereof, is hereby approved and authorized; the Issuer hereby authorizes and directs the Chairman or Vice Chairman of the Issuer to date and execute and the Secretary of the Issuer to attest, under the official seal of the Issuer, the Second Supplemental Indenture, and deliver the Second Supplemental Indenture to the Trustee; and all of the provisions of the Second Supplemental Indenture, when executed and delivered by the Issuer as authorized herein, and by the Trustee, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein. The Second Supplemental Indenture provides for the issuance of the Series 2023 Bonds in authorized denominations of $100,000 and integral multiples of $5,000 in excess thereof.

SECTION 11. AUTHORIZATION OF EXECUTION OF TAX AGREEMENT, OTHER CERTIFICATES AND OTHER INSTRUMENTS. The Chairman or Vice Chairman and the Secretary of the Issuer are hereby authorized and directed, either alone or jointly, under the official seal of the Issuer, to execute and deliver certificates of the Issuer certifying such facts as the Issuer's Counsel or Bond Counsel shall require in connection with the issuance, sale and delivery of the Series 2023 Bonds, and to execute and deliver such other instruments, including but not limited to, a Tax Agreement relating to certain requirements set forth in Section 148 of the Code, and such other assignments, bills of sale and financing statements, as shall be necessary or desirable to perform the Issuer's obligations under the Loan Agreement, the Indenture, the Tax Agreement and the Purchase Agreement and to consummate the transactions hereby authorized.

SECTION 12. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 2023 Bonds, the Loan Agreement, the Indenture, the Tax Agreement, the Purchase Agreement, or any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Series 2023 Bonds (collectively, hereinafter referred to as the "Bond Documents"), shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons

nor any member or officer of the Issuer executing the Bond Documents shall be liable personally thereon or be subject to any personal liability of or accountability by reason of the execution or delivery thereof.

SECTION 13. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein or in the Bond Documents, nothing in this Resolution, or in the Bond Documents, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the Issuer, the Borrower, the Trustee, the Underwriter and the owners from time to time of the Series 2023 Bonds any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bond Documents, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower, the Trustee, the Underwriter and the owners from time to time of the Series 2023 Bonds.

SECTION 14. PREREQUISITES PERFORMED. With the exception of the approval of the County, all other acts, conditions and things relating to the passage of this Resolution, to the issuance, sale and delivery of the Series 2023 Bonds, to the execution and delivery of the other Bond Documents, required by the Constitution or other laws of the State, to happen, exist and be performed precedent to the passage hereof, and precedent to the issuance, sale and delivery of the Series 2023 Bonds and to the execution and delivery of the other Bond Documents, have either happened, exist and have been performed as so required or will have happened, will exist and will have been performed prior to such execution and delivery thereof.

SECTION 15. COMPLIANCE WITH CHAPTER 218, PART III, AND CHAPTER 189, FLORIDA STATUTES. The Issuer hereby approves and authorizes the completion, and filing with the Division of Bond Finance, at the expense of the Borrower, of notice of the sale of the Series 2023 Bonds and of Bond Information Form BF 2003, and any other acts as may be necessary to comply with Chapter 218, Part III, and Chapter 189, Florida Statutes.

SECTION 16. GENERAL AUTHORITY. The officers, attorneys, engineers or other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this Resolution and the Bond Documents, and to do all acts and things which are desirable and consistent with the requirements hereof or of the Bond Documents, for the full, punctual and complete performance of all the terms, covenants and agreements contained herein and in the Bond Documents.

SECTION 17. THIS RESOLUTION CONSTITUTES A CONTRACT. The Issuer covenants and agrees that this Resolution shall constitute a contract between the Issuer and the owners from time to time of the Series 2023 Bonds then outstanding and that all covenants and agreements set forth herein and in the Bond Documents, to be performed by the Issuer shall be for the equal and ratable benefit and security of all owners of

outstanding Series 2023 Bonds, and all subsequent owners from time to time of the Series 2023 Bonds, without privilege, priority or distinction as to lien or otherwise of any of the Series 2023 Bonds over any other of the Series 2023 Bonds.

SECTION 18. LIMITED OBLIGATION. THE ISSUANCE OF THE SERIES 2023 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE ISSUER, THE COUNTY, THE STATE NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER, OR TO LEVY AD VALOREM TAXES ON ANY PROPERTY WITHIN THEIR TERRITORIAL LIMITS TO PAY THE PRINCIPAL OF, PURCHASE PRICE, PREMIUM, IF ANY, OR INTEREST ON SUCH SERIES 2023 BONDS OR OTHER PECUNIARY OBLIGATIONS OR TO PAY THE SAME FROM ANY FUNDS THEREOF OTHER THAN SUCH REVENUES, RECEIPTS AND PROCEEDS SO PLEDGED, AND THE SERIES 2023 BONDS SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OWNED BY THE ISSUER, THE COUNTY OR THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE ISSUER'S INTEREST IN THE LOAN AGREEMENT AND THE PROPERTY RIGHTS, RECEIPTS, REVENUES AND PROCEEDS PLEDGED THEREFOR UNDER AND AS PROVIDED IN THE INDENTURE AND ANY OTHER AGREEMENTS SECURING THE SERIES 2023 BONDS. THE ISSUER HAS NO TAXING POWER.

SECTION 19. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions hereof or of the Series 2023 Bonds issued under the Indenture.

SECTION 20. REPEALING CLAUSE. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 21. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 19th day of October, 2023.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

ATTEST:

By: _____
Chairman

By: _____
Secretary

EXHIBIT A

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [OCTOBER __], 2023

NEW ISSUE—BOOK ENTRY ONLY **NOT RATED**

[In the opinions of [Nabors, Giblin & Nickerson, P.A. as Bond Counsel to the Issuer, and Watson Sloane PLLC as Bond Counsel to the Borrower (together, "Bond Counsel")], under existing statutes, regulations, rulings and court decisions, interest on the Series 2023A Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and is not a specific preference item for purposes of the federal alternative minimum tax; however, the Inflation Reduction Act of 2022 which was signed into law on August 16, 2022, imposes an alternative minimum tax of 15% on the "adjusted financial statement income" (as defined in the Code) of certain corporations. Interest on the Series 2023A Bonds is taken into account in determining such adjusted financial statement income. Interest on the Series 2023B Bonds is not excluded from gross income for federal tax purposes. Interest on the Series 2023 Bonds also may be subject to other federal income tax consequences referred to herein under "TAX MATTERS." See "TAX MATTERS" herein for a general discussion of Co-Bond Counsel's opinion and certain other tax considerations.]

**$[XXX]*
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023A**

**$[YYY]*
Lee County Industrial Development Authority
Taxable Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023B**

Dated: Date of Issue **Due:** as shown on the inside cover page

The Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX]* (the "Series 2023A Bonds"), and the Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY]* (the "Series 2023B Bonds" and together with the Series 2023A Bonds, the "Series 2023 Bonds") will be issued pursuant to an Indenture of Trust, dated as of March 1, 2007 (the "Original Indenture"), as supplemented by and through the Second Supplemental Indenture of Trust, dated as of November 1, 2023 (the "Second Supplemental Indenture" and, together with the Original Indenture as previously supplemented, the "Indenture"), each by and between the Lee County Industrial Development Authority (the "Issuer") and Regions Bank (the "Trustee"). The Series 2023 Bonds are to be issued initially in fully registered book entry only form in denominations of $100,000 and integral multiples of $5,000 in excess thereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, which will serve as Depository. While the Series 2023 Bonds are held by a Depository, purchasers will not receive physical certificates. Interest on the Series 2023 Bonds is payable on December 15, 2023*, and on each June 15 and December 15 thereafter, by check or draft of the Trustee to the registered holders of the Series 2023 Bonds. The principal of the Series 2023 Bonds is payable upon presentation and surrender at maturity or prior redemption at the principal corporate trust office of the Trustee.

The Series 2023 Bonds are subject to redemption prior to maturity in the manner and under the circumstances described herein. *See* "THE SERIES 2023 BONDS - Redemption Prior to Maturity."

The proceeds of the Series 2023 Bonds are being loaned by the Issuer to Lee County Community Charter Schools, LLC, a limited liability company organized under the laws of the State of Florida (the "Borrower"), the sole member of which is Southwest Charter Foundation, Inc. f/k/a The Lee Charter Foundation, Inc., a Florida nonprofit corporation ("Foundation"), to be applied to (i) finance or refinance the costs of constructing and equipping additional improvements to certain of the Facilities (defined herein) as described in more detail herein (collectively, the "2023 Project"), (ii) make deposits to the Series 2023 Subaccounts of the Debt Service Reserve Fund, and (iii) pay certain costs of issuance, all as herein described.

The Series 2023 Bonds are being issued as "Additional Bonds" under the Indenture, on parity with the Issuer's $80,250,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2007A (the "Series 2007 Bonds"), currently outstanding in the aggregate principal amount of $[57,200,000] and the Issuer's $20,685,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2012A (the "Series 2012 Bonds"), currently outstanding in the aggregate principal amount of $[18,615,000]. The Series 2007 Bonds, Series 2012 Bonds, Series 2023 Bonds and any Additional Bonds issued pursuant to the Indenture, are referred to herein as the "Bonds."

The Schools are operated as charter schools under the laws of the State of Florida (the "State") pursuant to separate Charter School Contracts as described herein.

INVESTMENT IN THE SERIES 2023 BONDS INVOLVES A HIGH DEGREE OF RISK AND EACH PROSPECTIVE INVESTOR SHOULD CONSIDER ITS FINANCIAL CONDITION AND THE RISKS INVOLVED TO DETERMINE THE SUITABILITY OF INVESTING IN THE SERIES 2023 BONDS. THE SERIES 2023 BONDS ARE BEING OFFERED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND (2) AN INSTITUTIONAL "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(A)(1),(2),(3) OR (7) OF THE SECURITIES ACT. EACH INITIAL PURCHASER, OR ITS REPRESENTATIVE ON ITS BEHALF, OF THE SERIES 2023 BONDS SHALL BE REQUIRED TO EXECUTE AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS APPENDIX I ATTACHED HERETO.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2023 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE ESTABLISHED UNDER THE INDENTURE. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SCHOOL BOARDS (AS DEFINED HEREIN), THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SCHOOL BOARDS, THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SCHOOL BOARDS, THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2023 BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2023 BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR ANY OFFICIAL EXECUTING SUCH SERIES 2023 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2023 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2023 BONDS. THE ISSUER HAS NO TAXING POWER.

This cover page contains certain information for quick reference only. It is <u>not</u> a summary of the issue. Investors must read the entire Limited Offering Memorandum to obtain information essential to making an informed investment decision, giving particular attention to the section entitled "BONDHOLDERS' RISKS."

The Series 2023 Bonds are offered when, as, and if issued and received by the purchasers thereof, subject to the receipt of the approving legal opinion of Nabors, Giblin & Nickerson, P.A. as Bond Counsel to the Issuer, and Watson Sloane PLLC as Bond Counsel to the Borrower (together "Bond Counsel"). Certain legal matters will be passed upon for the Borrower and the Foundation, by Law Offices of Levi Williams, P.A.; for Red Apple at Manatee, LLC, Red Apple at Gateway EXP, LLC, Charter Schools USA, Inc. and the Managers (as defined herein) by Tripp Scott, P.A.; for the Issuer by Knott, Ebelini, Hart; and for the Underwriter by Ice Miller LLP. It is expected that delivery of the Series 2023 Bonds will be made through the facilities of DTC in New York, New York, on or about November __, 2023.

[Sims logo here]

The date of this Limited Offering Memorandum is November __, 2023.

* Preliminary, subject to change.

[INSERT PHOTOS HERE]

MATURITY SCHEDULE*

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

$[XXX]*
INDUSTRIAL DEVELOPMENT REVENUE BONDS
(LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC PROJECTS),
SERIES 2023A

$_____ Term Bond due June 15, 20__; Rate ____%; Price ___%; Initial CUSIP: 52349KB___+
$_____ Term Bond due June 15, 20__; Rate ____%; Price ___%; Initial CUSIP: 52349KB___+
$_____ Term Bond due June 15, 20__; Rate ____%; Price ___%; Initial CUSIP: 52349KB___+

$[YYY]*
TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS
(LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC PROJECTS),
SERIES 2023B

$_____ Term Bond due June 15, 20__; Rate ___%; Price ___%; Initial CUSIP: 52349KB__*

+ The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the Issuer, the Borrower, the Foundation, the Underwriter or the Trustee, and are included solely for the convenience of the holders of the Series 2023 Bonds. None of the Issuer, the Borrower, the Foundation, the Underwriter or the Trustee is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Series 2023 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2023 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities. CUSIP Global Services is managed on behalf of the American Bankers Association by FactSet Research Systems Inc.

* Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by the Issuer, the Borrower, the Foundation, Charter Schools USA, Inc. ("CSUSA"), Red Apple at Manatee, LLC ("Red Apple Manatee"), Red Apple at Gateway EXP, LLC ("Red Apple Gateway" and, together with Red Apple Manatee, "Red Apple") or the Underwriter to give any information or to make any representations other than those contained in this Limited Offering Memorandum and, if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer, the Borrower, the Foundation, CSUSA, Red Apple or the Underwriter. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2023 Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Borrower, the Foundation, CSUSA, Red Apple and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale made thereafter shall, under any circumstances, create any implication that there has been no change in the affairs of the Borrower, the Foundation, CSUSA, Red Apple, the Managers, or in any other information contained herein, since the date hereof.

By acceptance of its duties under the Indenture, the Trustee is not implying that it has reviewed nor has the Trustee actually reviewed this Limited Offering Memorandum and the Trustee makes no representations as to the information contained herein, including but not limited to the representations as to the financial feasibility of the Project.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION OR QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER JURISDICTIONS SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THESE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THE SALE OF THE SERIES 2023 BONDS, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS LIMITED OFFERING MEMORANDUM

When used in this Limited Offering Memorandum and in any continuing disclosure by the Borrower or the Foundation, in the Borrower's or the Foundation's press releases and in oral statements made with the approval of an authorized executive officer of the Borrower or the Foundation, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those presently anticipated or projected. The Borrower and the Foundation caution readers not to place undue reliance on any such forward-looking statements. The Borrower and the Foundation advise readers that certain factors could affect the financial performance of the Borrower and/or the Foundation and could cause the actual results of the Borrower and/or the Foundation for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. *See* "BONDHOLDERS RISKS" herein.

TABLE OF CONTENTS

SUMMARY STATEMENT

The following Summary Statement is subject in all respects to more complete information contained in this Limited Offering Memorandum and in the Appendices to this Limited Offering Memorandum. The offering of the Series 2023 Bonds to potential investors is made only by means of this entire Limited Offering Memorandum, including the Appendices, and no person is authorized to detach this Summary Statement from this Limited Offering Memorandum or to otherwise use it without the entire Limited Offering Memorandum, including the Appendices. FOR THE DEFINITION OF CERTAIN TERMS USED IN THIS SUMMARY STATEMENT, SEE APPENDIX F - FORMS OF CERTAIN FINANCING DOCUMENTS.

The Series 2023 Bonds:	The limited offering consists of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), series 2023A, in the aggregate principal amount of $[XXX]* (the "series 2023A Bonds"), and Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) series 2023B, in the aggregate principal amount of $[YYY]* (the "series 2023B Bonds" and together with the series 2023A Bonds, the "Series 2023 Bonds"), to be issued by the Lee County Industrial Development Authority (the "Issuer"). The Series 2023 Bonds will be initially issued in Book-Entry Only Form. *See* "THE SERIES 2023 BONDS" herein.
Interest:	Interest on the Series 2023 Bonds is payable on June 15 and December 15 of each year, with interest first payable on December 15, 2023*. See the inside cover page for interest rates and maturities.
Principal:	Principal of the Series 2023 Bonds is payable pursuant to mandatory sinking fund redemption on June 15 and December 15, in the years and amounts set forth herein. *See* "THE SERIES 2023 BONDS – Redemption Prior to Maturity – Mandatory Sinking Fund Redemption" herein.
Redemption:	The Series 2023 Bonds are subject to optional, extraordinary and mandatory redemption. *See* "THE SERIES 2023 BONDS – Redemption Prior to Maturity" herein.
Parity with Series 2007 Bonds and Series 2012 Bonds:	The Series 2023 Bonds are being issued as "Additional Bonds" under the Indenture, on parity with the Issuer's $80,250,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2007A (the "Series 2007 Bonds"), currently outstanding in the aggregate principal amount of $[57,200,000] and the Issuer's $20,685,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2012A (the "Series 2012 Bonds"), currently outstanding in the aggregate principal amount of $[18,615,000]. The Series 2007 Bonds, Series 2012 Bonds, Series 2023 Bonds and any Additional Bonds issued pursuant to the Indenture are referred to here as the "Bonds."
Use of Proceeds:	*Series 2023 Bonds.* The proceeds of the Series 2023 Bonds are being loaned to the Borrower, the sole member of which is Southwest Charter Foundation, Inc. f/k/a The Lee Charter Foundation, Inc., a Florida nonprofit corporation ("Foundation"), to (i) finance or refinance the costs of constructing and equipping additional improvements to certain of the Facilities (defined below) as described in more detail herein (collectively, the "2023 Project" and together with the 2007 Project and the 2012 Project, the "Project"), (ii) make deposits to the Series 2023 Subaccounts of the Debt Service Reserve Fund, and (iii) pay certain costs of issuance of the Series 2023 Bonds.

* Preliminary, subject to change.

Series 2012 Bonds. The proceeds of the Series 2012 Bonds were loaned by the Issuer to Lee County Community Charter Schools, LLC, a limited liability company organized under the laws of the State of Florida (the "Borrower"), to be applied to (i) refinance certain taxable indebtedness (the "Prior Debt"), which was incurred to finance certain charter school facilities for Gateway Intermediate Charter School, a grades 5-8 charter school, and an additional parcel of land adjacent to the site on which Gateway Charter Elementary School is located (such additional parcel of land referred to herein as the "Gateway Expansion"), (ii) finance the costs of acquiring, constructing and equipping certain charter school facilities for Manatee Charter School (together with Gateway Intermediate Charter School, the "2012 Facilities" or the "Subleased Facilities") located within Manatee County, Florida, the land on which Manatee Charter School is located (together with the Gateway Expansion, the "2012 Sites") and improvements thereto (the assets described in clauses (i) and (ii) collectively referred to as the "2012 Project"), (iii) make a deposit to the Debt Service Reserve Fund with respect to the Series 2012 Bonds, (iv) fund capitalized interest with respect to the Series 2012 Bonds, and (v) pay certain costs of issuance of the Series 2012 Bonds.

Series 2007 Bonds. The proceeds of the Series 2007 Bonds were loaned by the Issuer to the Borrower to finance the costs of (i) acquiring certain charter school facilities, together with all additions and improvements thereto (collectively, the "2007 Facilities" or the "Leased Facilities"), including the land on which such facilities are located, and paying or reimbursing certain costs in connection with those facilities (the "2007 Project"), (ii) funding the Debt Service Reserve Fund with respect to the Series 2007 Bonds, (iii) providing certain working capital requirements for the 2007 Project, (iv) providing capitalized interest with respect to the Series 2007 Bonds, and (v) paying certain costs of issuance of the Series 2007 Bonds.

The Subleased Facilities and the Leased Facilities are collectively referred to herein as the "Facilities."

The Schools: The Foundation currently operates six charter schools from the Facilities: Gateway Charter Elementary School, Gateway Intermediate Charter School, Gateway Charter High School, Mid Cape Charter School f/k/a Mid Cape Global Academy, Six-Mile Charter Academy and Manatee Charter School (each a "School" and collectively the "Schools").

The Borrower: The Borrower is a Florida limited liability company. The sole member of the Borrower is the Foundation. *See* "APPENDIX A – GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS."

Leases: *Foundation Lease*. Under a Lease Agreement with respect to the 2007 Project (the "Original Foundation Lease"), dated as of March 1, 2007, between the Foundation, as lessee, and the Borrower, as lessor, the Foundation leased the 2007 Project from the Borrower. In connection with the issuance of the Series 2012 Bonds, the Original Foundation Lease was amended and restated pursuant to the Amended and Restated Lease Agreement, dated August 27, 2012 (the "Prior Foundation Lease") to provide for the continued lease of the 2007 Project, the lease of the Gateway Intermediate Charter School and the sublease of Manatee Charter School and the Gateway Expansion by the Borrower to the Foundation. In connection with the issuance of the Series 2023 Bonds, the Prior Foundation Lease will be amended by a First Amendment to Amended and Restated Lease Agreement dated as of November 1, 2023 (the "Lease"), by and between the Borrower and the Foundation. The Foundation is obligated to make Base Rental payments under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue herein described) in a total amount sufficient to pay all sinking fund installments with respect to the Bonds, and to pay interest on the Bonds when due. All Charter Revenues and Additional Revenue (as herein described) will be pledged to the

payment of Base Rental payments. The Foundation is also obligated to pay operating and maintenance expense of the Project, as Additional Rent under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue herein described).

Red Apple Leases. The site and school facilities for Manatee Charter School are leased to the Borrower for a term extending beyond the final maturity of the Series 2023 Bonds under a Lease Agreement dated as of August 1, 2012, by and between Red Apple Manatee as lessor, and the Borrower, as lessee (the "Red Apple Manatee Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the facilities for Manatee Charter School from the Borrower.

The Gateway Expansion is leased to the Borrower for a term of extending beyond the final maturity of the Series 2023 Bonds under a lease agreement dated as of August 1, 2012, as amended by a First Amendment to Lease Agreement dated as of November 1, 2023, each by and between Red Apple Gateway, as lessor, and the Borrower, as lessee (collectively, the "Red Apple Gateway Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the Gateway Expansion from the Borrower. Each of the Red Apple Manatee Lease and the Red Apple Gateway Lease is referred to herein as a "Red Apple Lease" and such leases are collectively referred to herein as the "Red Apple Leases". The Red Apple Leases, together with the Foundation Lease defined above, are collectively referred to herein as the "Leases". Although the Borrower is obligated to pay certain taxes and assessments, if any, relating to the property leased pursuant to the Red Apple Leases, there are no scheduled rent payments due from the Borrower to Red Apple under the Red Apple Leases.

Charter School Contracts: The Foundation has executed Charter School Agreements by and between the Foundation and the School Boards of Lee and Manatee Counties, Florida, respectively (collectively, the "School Boards"), pursuant to which the Foundation is entitled to receive certain charter payments with respect to each of the Schools (after withholding of certain administrative expenses of the School Boards as therein provided) (herein referred to as the "Charter Revenues"). Revenues available to the Foundation also include amounts derived from the operation of the Schools, such as revenue derived from meal programs, daycare or special events ("Additional Revenue"). Such Charter Revenues and Additional Revenue are pledged by the Foundation to secure its obligations under the Foundation Lease. Such Lease payments are assigned by the Borrower to the Trustee to secure the Borrower's obligations under the Loan Agreement, and are expected to be the primary source of payment of principal of and interest on the Bonds.

Management Agreements: Pursuant to Management Agreements (each a "Management Agreement") by and between the Foundation and separate limited liability companies with respect to one or more Schools (each a "Manager"), each Manager shall be obligated to provide all labor, supervision, materials and equipment necessary for the educational requirements of students at the respective School(s), and for the management, operation and maintenance of the School(s). The sole member of each Manager is Charter Schools USA, Inc. ("CSUSA"). Payments under the Management Agreements shall be made from Pledged Revenues (as defined herein) deposited with the Trustee.

The Borrower has collaterally assigned its rights under the Management Agreements to the Trustee pursuant to Amended and Restated Collateral Assignments of Management Agreements and Consents by Managers dated August 27, 2012 (the "Management Agreements Assignment"), by and among the Foundation, the Trustee, and the Managers.

Red Apple Mortgages: Pursuant to the Mortgage and Security Agreement, dated August 27, 2012 from Red Apple Manatee to the Issuer (the "Red Apple Manatee Mortgage"), Red Apple Manatee granted a fee mortgage on the property leased pursuant to the Red Apple Manatee Lease in favor of the Issuer. Pursuant to the Mortgage and Security Agreement, dated August

27, 2012, as modified by the Mortgage Modification dated as of November 1, 2023, each from Red Apple Gateway to the Issuer (collectively, the "Red Apple Gateway Mortgage" and, together with the Red Apple Manatee Mortgage, the "Red Apple Mortgages"), Red Apple Gateway granted a fee mortgage on the property leased pursuant to the Red Apple Gateway Lease in favor of the Issuer. Pursuant to the Assignment of Mortgages, dated the date of issuance of the Series 2012 Bonds and the Assignment of Mortgage dated as of November 1, 2023 (collectively, the "Mortgage Assignment"), from the Issuer to the Trustee, the Issuer assigned all of its right, title and interest in the Red Apple Mortgages (except for certain reserved rights) to the Trustee as part of the Trust Estate created under the Indenture (defined below).

Security: The Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely out of the payments derived by the Issuer under the Mortgage and Loan Agreement (the "Original Loan Agreement"), dated as of March 1, 2007, as supplemented by and through the Second Supplement to Mortgage and Loan Agreement, dated as of November 1, 2023 (the "Second Supplemental Loan Agreement" and, together with the Original Loan Agreement as previously amended, the "Loan Agreement"), each by and among the Issuer and the Borrower, and are secured by an assignment of such payments to Regions Bank, as trustee (the "Trustee"), pursuant to the Indenture of Trust (the "Original Indenture"), dated as of March 1, 2007, as supplemented by and through the Second Supplemental Indenture of Trust dated as of November 1, 2023 (the "Second Supplemental Indenture" and, together with the Original Indenture as previously amended, the "Indenture"), each by and between the Issuer and the Trustee. The date of issuance of the Series 2023 Bonds is herein referred to as the "Closing Date."

Pursuant to the Loan Agreement, the Issuer will loan the proceeds of the Series 2023 Bonds to the Borrower. In the Loan Agreement, the Borrower covenants to repay the funds borrowed from the Issuer, together with interest thereon, in installments which will be sufficient to pay, when due, the principal of and interest on the Bonds. In order to secure the payment of the Bonds, the Issuer has assigned all of its rights and interest in the Loan Agreement (other than certain rights of indemnification, payments of expenses and taxes, rights to perform certain discretionary acts and rights to receive notices) to the Trustee, pursuant to an Assignment of Mortgage and Loan Agreement dated as of April 3, 2007, an Assignment of First Supplemental Mortgage and Loan Agreement dated as of August 27, 2012, and an Assignment of Second Supplemental Mortgage and Loan Agreement dated as of the Closing Date (collectively, the "Loan Agreement Assignment"). In order to further secure the payment of debt service on the Bonds, each of the Borrower and Red Apple have assigned all of their rights and interest in the Red Apple Leases to the Trustee pursuant to a Collateral Assignment of Red Apple Lease Agreements dated August 27, 2012 (the "Red Apple Lease Assignment") from the Borrower, Red Apple Manatee, and Red Apple Gateway to the Trustee. In order to further secure the payment of debt service on the Bonds, the Borrower has assigned all of its rights and interest in the Foundation Lease to the Trustee pursuant to a Collateral Assignment of Lease Agreement dated April 3, 2007, and a Collateral Assignment of Red Apple Lease Agreements dated the Closing Date (collectively, the "Foundation Lease Assignment") from the Borrower to the Trustee.

The obligations of the Borrower under the Loan Agreement are secured by (i) a fee mortgage interest in the Project from the Borrower for the benefit of the Trustee, (ii) a leasehold mortgage interest in the Manatee Charter School and the Gateway Expansion from the Borrower for the benefit of the Trustee, (iii) the Red Apple Mortgages, (iv) an assignment of and security interest in the Pledged Revenues and (v) a security interest in all other assets of the Borrower related to the Project. **None of the Issuer, the State of Florida (the "State") or any political subdivision or agency of the State, shall be obligated to pay the Series 2023 Bonds or the interest thereon, except from funds herein described, and neither the faith and credit nor the taxing power of the State,**

or any other political subdivision or agency thereof is pledged to the payment of the principal of, premium, if any, and interest on the Series 2023 Bonds. The Issuer has no taxing power.

"Pledged Revenues" means any and all rights to receive all the receipts, revenues, cash and income of the Borrower from whatever source derived, whether in the form of accounts, accounts receivable, rents, fees, contract rights, chattel paper, general intangibles, commercial tort claims, profits and income, or other rights, and the proceeds of all of the foregoing, whether now owned or held or hereafter coming into existence or acquired. Pledged Revenues includes (but is not limited to) (a) Base Rentals, (b) Capital Contributions, and (c) Additional Rent.

The Foundation is obligated under the Foundation Lease to deposit all Pledged Revenues directly with the Trustee during the term of the Foundation Lease. Such Pledged Revenues will be applied by the Trustee to make debt service payments on the Bonds, to pay Operating Expenses of the Schools, to establish and maintain certain reserve funds described in the Indenture, to pay management fees under the Management Agreements and to reimburse amounts previously paid for School purposes. *See*, "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS – The Indenture - Deposit of Lease Payments in Revenue Fund" herein. There can be no assurance that Pledged Revenues will be sufficient to make all such payments.

Investment Risks: Investment in the Series 2023 Bonds involves a high degree of risk. *See* "BONDHOLDERS' RISKS" for a discussion of certain of these risks.

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LIMITED OFFERING MEMORANDUM

$[XXX]*
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023A

$[YYY]*
Lee County Industrial Development Authority
Taxable Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023B

INTRODUCTION

General

This Limited Offering Memorandum, including its cover page, inside cover page, Summary Statement and Appendices, provides information in connection with the offer and sale of the Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX]* (the "Series 2023A Bonds"), and the Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY]* (the "Series 2023B Bonds" and together with the Series 2023A Bonds, the "Series 2023 Bonds").

The Series 2023 Bonds are being issued as "Additional Bonds" under the Indenture, on parity with the Issuer's $80,250,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2007A (the "Series 2007 Bonds"), currently outstanding in the aggregate principal amount of $[57,200,000] and the Issuer's $20,685,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2012A (the "Series 2012 Bonds"), currently outstanding in the aggregate principal amount of $[18,615,000]. The Series 2007 Bonds, Series 2012 Bonds, Series 2023 Bonds and any Additional Bonds issued pursuant to the Indenture are referred to here as the "Bonds."

The proceeds of the Series 2023 Bonds are being loaned by Lee County Industrial Development Authority (the "Issuer") to Lee County Community Charter Schools, LLC, a limited liability company organized under the laws of the State of Florida (the "Borrower"), the sole member of which is Southwest Charter Foundation, Inc. f/k/a The Lee Charter Foundation, Inc., a Florida nonprofit corporation ("Foundation"), to be applied to (i) finance or refinance the costs of constructing and equipping additional improvements to certain of the Facilities (defined below) as described in more detail herein (collectively, the "2023 Project" and together with the 2007 Project and the 2012 Project, the "Project"), (ii) make deposits to the Series 2023 Subaccounts of the Debt Service Reserve Fund, and (iii) pay certain costs of issuance, all as herein described.

The proceeds of the Series 2012 Bonds were loan by the Issuer to the Borrower to (i) refinance certain taxable indebtedness (the "Prior Debt"), which was incurred to finance certain charter school facilities for Gateway Intermediate Charter School, a grades 5-8 charter school, and an additional parcel of land adjacent to the site on which Gateway Charter Elementary School is located (such additional parcel of land referred to herein as the "Gateway Expansion"), (ii) finance the costs of acquiring, constructing and equipping certain charter school facilities for Manatee Charter School (together with Gateway Intermediate Charter School, the "2012 Facilities") located within Manatee County, Florida, the land on which Manatee Charter School is located (together with the Gateway Expansion, the "2012 Sites") and improvements thereto (the assets described in clauses (i) and (ii) collectively referred to as the "2012 Project"), (iii) make a deposit to the Debt Service Reserve Fund with respect to the Series 2012 Bonds, (iv) fund capitalized interest with respect to the Series 2012 Bonds, and (v) pay certain costs of issuance.

The proceeds of the Series 2007 Bonds were loaned by the Issuer to the Borrower to finance the costs of (i) acquiring certain charter school facilities (collectively, the "2007 Facilities" or the "Leased Facilities"), including the land on which such facilities are located, and paying or reimbursing certain costs in connection with those

* Preliminary, subject to change.

facilities (the "2007 Project"), (ii) funding the Debt Service Reserve Fund with respect to the Series 2007 Bonds, (iii) providing certain working capital requirements for the 2007 Project, (iv) providing capitalized interest with respect to the Series 2007 Bonds, and (v) paying certain costs of issuance of the Series 2007 Bonds.

The Schools

The Project includes six Charter Schools presently operated by the Foundation: Gateway Charter Elementary School, Gateway Intermediate Charter School, Gateway Charter High School, Mid Cape Global Academy and Six-Mile Charter Academy and Manatee Charter School (collectively, the "Schools". *See* "THE BORROWER" and APPENDIX A - "GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS".

The Foundation also operates the "Other Foundation Schools" which are not part of the Project. See "THE BORROWER, THE FOUNDATION AND THE SCHOOLS – Other Foundation Schools" herein.

The Loan Agreement

The Series 2023 Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely out of the payments derived by the Issuer under the Mortgage and Loan Agreement (the "Original Loan Agreement"), dated as of March 1, 2007, as supplemented by and through the Second Supplement to Mortgage and Loan Agreement, dated as of November 1, 2023 (the "Second Supplemental Loan Agreement" and, together with the Original Loan Agreement as previously supplemented, the "Loan Agreement"), each by and among the Issuer and the Borrower, and are secured by an assignment of such payments to Regions Bank, as trustee (the "Trustee"), pursuant to the Indenture of Trust (the "Original Indenture"), dated as of March 1, 2007, as supplemented by and through the Second Supplemental Indenture of Trust dated as of November 1, 2023 (the "Second Supplemental Indenture" and, together with the Original Indenture as previously supplemented, the "Indenture"), each by and between the Issuer and the Trustee. The date of issuance of the Series 2023 Bonds is herein referred to as the "Closing Date."

Pursuant to the Loan Agreement, the Issuer will loan the proceeds of the Series 2023 Bonds to the Borrower. In the Loan Agreement, the Borrower covenants to repay the funds borrowed from the Issuer, together with interest thereon, in installments which will be sufficient to pay, when due, the principal of and interest on the Bonds. In order to secure the payment of the Bonds, the Issuer has assigned all of its rights and interest in the Loan Agreement (other than certain rights of indemnification, payments of expenses and taxes, rights to perform certain discretionary acts and rights to receive notices) to the Trustee, pursuant to an Assignment of Mortgage and Loan Agreement dated as of April 3, 2007, an Assignment of First Supplemental Mortgage and Loan Agreement dated as of August 27, 2012, and an Assignment of Second Supplemental Mortgage and Loan Agreement dated as of the Closing Date (collectively, the "Loan Agreement Assignment"). In order to further secure the payment of debt service on the Bonds, each of the Borrower and Red Apple have assigned all of their rights and interest in the Red Apple Leases to the Trustee pursuant to a Collateral Assignment of Red Apple Lease Agreements dated August 27, 2012 (the "Red Apple Lease Assignment") from the Borrower, Red Apple Manatee, and Red Apple Gateway to the Trustee. In order to further secure the payment of debt service on the Bonds, the Borrower has assigned all of its rights and interest in the Foundation Lease to the Trustee pursuant to a Collateral Assignment of Lease Agreement dated April 3, 2007, and a Collateral Assignment of Red Apple Lease Agreements dated the Closing Date (collectively, the "Foundation Lease Assignment") from the Borrower to the Trustee.

The obligations of the Borrower under the Loan Agreement are secured by (i) a fee mortgage interest in the Project from the Borrower for the benefit of the Trustee, (ii) a leasehold mortgage interest in the Manatee Charter School and the Gateway Expansion from the Borrower for the benefit of the Trustee, (iii) the Red Apple Mortgages, (iv) an assignment of and security interest in the Pledged Revenues and (v) a security interest in all other assets of the Borrower related to the Project.

The Leases

Foundation Lease. Under a Lease Agreement with respect to the 2007 Project (the "Original Foundation Lease"), dated as of March 1, 2007, between the Foundation, as lessee, and the Borrower, as lessor, the Foundation

leased the 2007 Project from the Borrower. In connection with the issuance of the Series 2012 Bonds, the Original Foundation Lease was amended and restated pursuant to the Amended and Restated Lease Agreement, dated August 27, 2012 (the "Prior Foundation Lease") to provide for the continued lease of the 2007 Project, the lease of the Gateway Intermediate Charter School and the sublease of Manatee Charter School and the Gateway Expansion by the Borrower to the Foundation. In connection with the issuance of the Series 2023 Bonds, the Prior Foundation Lease will be amended by a First Amendment to Amended and Restated Lease Agreement dated as of November 1, 2023 (the "Lease"), by and between the Borrower and the Foundation. The Foundation is obligated to make Base Rental payments under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue herein described) in a total amount sufficient to pay all sinking fund installments with respect to the Bonds, and to pay interest on the Bonds when due. All Charter Revenues and Additional Revenue (as herein described) will be pledged to the payment of Base Rental payments. The Foundation is also obligated to pay operating and maintenance expense of the Project, as Additional Rent under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue herein described).

Red Apple Leases. The site and school facilities for Manatee Charter School are leased to the Borrower for a term extending beyond the final maturity of the Series 2023 Bonds under a Lease Agreement dated as of August 1, 2012, by and between Red Apple Manatee as lessor, and the Borrower, as lessee (the "Red Apple Manatee Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the facilities for Manatee Charter School from the Borrower.

The Gateway Expansion is leased to the Borrower for a term of extending beyond the final maturity of the Series 2023 Bonds under a lease agreement dated as of August 1, 2012, as amended by a First Amendment to Lease Agreement dated as of November 1, 2023, each by and between Red Apple Gateway, as lessor, and the Borrower, as lessee (collectively, the "Red Apple Gateway Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the Gateway Expansion from the Borrower.

Each of the Red Apple Manatee Lease and the Red Apple Gateway Lease is referred to herein as a "Red Apple Lease" and such leases are collectively referred to herein as the "Red Apple Leases". The Red Apple Leases, together with the Foundation Lease defined above, are collectively referred to herein as the "Leases". Although the Borrower is obligated to pay certain taxes and assessments, if any, relating to the property leased pursuant to the Red Apple Leases, there are no scheduled rent payments due from the Borrower to Red Apple under the Red Apple Leases.

The substantially final forms of the Foundation Lease and the Red Apple Manatee Lease are included in APPENDIX F attached hereto. The Red Apple Gateway Lease is substantially similar to the Red Apple Manatee Lease.

In order to further secure the payment of debt service on the Bonds, each of the Borrower and Red Apple have assigned all of their rights and interest in the Red Apple Leases to the Trustee pursuant to a Collateral Assignment of Red Apple Lease Agreements dated August 27, 2012 (the "Red Apple Lease Assignment") from the Borrower, Red Apple Manatee, and Red Apple Gateway to the Trustee. In order to further secure the payment of debt service on the Bonds, the Borrower has assigned all of its rights and interest in the Foundation Lease to the Trustee pursuant to a Collateral Assignment of Lease Agreement dated April 3, 2007, and a Collateral Assignment of Red Apple Lease Agreements dated the Closing Date (collectively, the "Foundation Lease Assignment") from the Borrower to the Trustee.

The Red Apple Mortgages

Pursuant to the Mortgage and Security Agreement, dated August 27, 2012 from Red Apple Manatee to the Issuer (the "Red Apple Manatee Mortgage"), Red Apple Manatee granted a fee mortgage on the property leased pursuant to the Red Apple Manatee Lease in favor of the Issuer. Pursuant to the Mortgage and Security Agreement, dated August 27, 2012, as modified by the Mortgage Modification dated as of November 1, 2023, each from Red Apple Gateway to the Issuer (collectively, the "Red Apple Gateway Mortgage" and, together with the Red Apple Manatee Mortgage, the "Red Apple Mortgages"), Red Apple Gateway granted a fee mortgage on the property leased pursuant to the Red Apple Gateway Lease in favor of the Issuer. Pursuant to the Assignment of Mortgages, dated the date of issuance of the Series 2012 Bonds and the Assignment of Mortgage dated as of November 1, 2023

(collectively, the "Mortgage Assignment"), from the Issuer to the Trustee, the Issuer assigned all of its right, title and interest in the Red Apple Mortgages (except for certain reserved rights) to the Trustee as part of the Trust Estate created under the Indenture (defined below).

The Charters

The Foundation has executed Charter School Agreements (collectively, the "Charters") by and between the Foundation and the School Boards of Lee and Manatee Counties, Florida, respectively (collectively, the "School Boards"), pursuant to which the Foundation is entitled to receive certain charter payments with respect to each of the Schools (after withholding of certain administrative expenses of the School Boards as therein provided) (herein referred to as the "Charter Revenues"). Revenues available to the Foundation also includes amounts derived from the operation of the Schools, such as revenue derived from meal programs, daycare or special events ("Additional Revenue"). Such Charter Revenues and Additional Revenue are pledged by the Foundation to secure its obligations under the Foundation Lease. Such Foundation Lease payments are assigned by the Borrower to the Trustee to secure the Borrower's obligations under the Loan Agreement, and are expected to be the primary source of payment of principal of and interest on the Bonds.

The following chart shows the commencement and current expiration dates of each Charter.

School	Charter Commencement	Charter Expiration Date
Gateway Charter Elementary School[+]	July 1, 2023	June 30, 2033
Gateway Charter High[+] School	July 1, 2023	June 30, 2033
Mid Cape Global Academy	July 1, 2023	June 30, 2033
Six-Mile Charter Academy	July 1, 2013	June 30, 2028
Gateway Intermediate[+] Charter School	July 1, 2023	June 30, 2033
Manatee Charter School	July 1, 2017	June 30, 2025

[+]Gateway Charter Elementary School, Gateway Intermediate Charter School and Gateway Charter High School operate pursuant to a single charter as of July 1, 2023.

See "GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS - The School Charters" in APPENDIX E hereto.

Management Agreements

Pursuant to Management Agreements (each a "Management Agreement") by and between the Foundation and separate limited liability companies with respect to one or more Schools (each a "Manager"), each Manager shall be obligated to provide all labor, supervision, materials and equipment necessary for the educational requirements of students at the respective School(s), and for the management, operation and maintenance of the School(s). The sole member of each Manager is Charter Schools USA, Inc. ("CSUSA"). Payments under the Management Agreements shall be made from Pledged Revenues deposited with the Trustee, on a basis subordinate to the payment of the Bonds.

The Borrower has collaterally assigned its rights under the Management Agreements to the Trustee pursuant to Amended and Restated Collateral Assignments of Management Agreements and Consents by Managers dated August 27, 2012 (the "Management Agreements Assignment"), by and among the Foundation, the Trustee, and the Managers.

The substantially final form of Management Agreement for Manatee Charter School is included in APPENDIX F attached hereto. The other Management Agreements are substantially similar to the Management Agreement for Manatee Charter School, except as to stated expiration date (each Management Agreement contains provisions for automatic extension of expiration date unless notice is given by either party) and schedule of Management Fees.

Relationship Between Parties

CSUSA is the sole member of each Manager. Red Apple Development, LLC ("Red Apple Development"), is the sole member of each of Red Apple Gateway and Red Apple Manatee. CSUSA and Red Apple Development share common ownership control. Although Red Apple Gateway and Red Apple Manatee are executing the Red Apple Mortgages to secure the payment of the Bonds, **none of CSUSA, the Managers, Red Apple Gateway, Red Apple Manatee or Red Apple Development, is a "Borrower" under the Loan Agreement nor a guarantor of debt service payments on the Bonds**.

This Limited Offering Memorandum, including the Appendices hereto, contains brief descriptions of the Issuer, the Borrower, the Foundation, the Schools, the Project, the Charters, the Indenture, the Loan Agreement, the Leases, the Management Agreements and other documents executed in connection therewith. The summaries of statutes, opinions, and documents contained herein are summaries only and do not purport to be comprehensive or definitive, and are qualified in all respects by reference to the originals or official compilations thereof, copies of which are available during the period of the offering of the Series 2023 Bonds upon reasonable request from the Underwriter, upon payment of reasonable charges for copying (not to exceed any limits under applicable Florida law).

THE ISSUER

The Issuer is a public body corporate and politic, a public instrumentality and industrial development authority organized and existing under the laws of the State of Florida, including, particularly, Part III of Chapter 159, Florida Statutes, as amended, and the resolutions of the Board of County Commissioners of Lee County, Florida (the "Board") adopted on June 25, 1975 and September 3, 1975. The Issuer is issuing the Series 2023 Bonds pursuant to Parts II, III and VII of Chapter 159, Florida Statutes, as amended (the "Act").

The Series 2007 Bonds and the Series 2012 Bonds are, and the Series 2023 Bonds will be, special and limited obligations payable solely from the sources provided for under the Indenture. The Issuer has no taxing power and neither the State, the County, nor any political subdivision of the State is liable for the payment of principal, interest or redemption premium on the Bonds.

The scope of the Issuer's role in connection with the issuance of the Series 2023 Bonds is limited to providing the necessary approvals for the issuance of the Series 2023 Bonds, the financing and refinancing of the 2023 Project and the execution and delivery of certain documents necessary to the issuance of the Series 2023 Bonds. Except for certain unassigned rights described herein, the Issuer has assigned all of its rights and obligations under the Indenture, the Loan Agreement and the Red Apple Mortgages to the Trustee. The Issuer has not completed any independent analysis of the matters set forth herein.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2023 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE ESTABLISHED UNDER THE INDENTURE. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SCHOOL BOARDS, THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SCHOOL BOARDS, THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SCHOOL BOARDS, THE STATE OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2023 BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2023 BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY

MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR ANY OFFICIAL EXECUTING SUCH SERIES 2023 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2023 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2023 BONDS. THE ISSUER HAS NO TAXING POWER.

Although the Issuer has consented to the use of this Limited Offering Memorandum in connection with the offer and the sale of the Series 2023 Bonds, it has not participated in the preparation of this Limited Offering Memorandum and makes no representation with respect to the accuracy or completeness of any of the material contained in this Limited Offering Memorandum other than under the headings "THE ISSUER" and "LITIGATION - No Proceedings Against the Issuer". The Issuer is not responsible for providing any purchaser of the Series 2023 Bonds with any information relating to the Series 2023 Bonds or any of the parties or transactions referred to in this Limited Offering Memorandum or for the accuracy or completeness of any such information obtained by any purchaser.

Rule 69W-400.003, Rules for Government Securities, promulgated by the Florida Department of Banking and Finance, Division of Securities, under Section 517.051(1), Florida Statutes ("Rule 69W-400.003"), requires the Issuer to disclose each and every default as to the payment of principal and interest with respect to an obligation issued by the Issuer after December 31, 1975. Rule 69W-400.003 further provides, however, that if the Issuer in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted.

The Issuer is merely a conduit for issuance and payment of the Series 2023 Bonds, in that the Series 2023 Bonds do not constitute a general debt, liability or obligation of the Issuer, but are instead secured by and payable solely from payments of the Borrower under the Loan Agreement directly to the Trustee and by other security discussed herein. The Series 2023 Bonds are not being offered on the basis of the financial strength or condition of the Issuer. The Issuer believes, therefore, that disclosure of any default related to a financing not involving the Borrower or any person or entity related to the Borrower would not be material to a reasonable investor. Accordingly, the Issuer has not taken affirmative steps to contact any trustee of any other conduit bond issue of the Issuer to determine the existence of any defaults.

THE BORROWER, THE FOUNDATION AND THE SCHOOLS

Borrower

Lee County Community Charter Schools, LLC (the "Borrower") is a limited liability company organized under the laws of the State of Florida, the sole member of which is the Foundation. The Borrower is the fee simple owner of the 2007 Project and the facilities comprising Gateway Intermediate Charter School and leases such facilities to the Foundation pursuant to the Foundation Lease. The Borrower leases the Gateway Expansion and the facilities for Manatee Charter School from Red Apple pursuant to the Red Apple Leases, and subleases such facilities to the Foundation pursuant to the Foundation Lease.

Foundation

Southwest Charter Foundation, Inc. f/k/a The Lee Charter Foundation, Inc. (the "Foundation") is a Florida not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Foundation currently operates six schools. **Although the Foundation may operate additional charter schools in the future, the Foundation's payment obligations under the Foundation Lease are limited to revenues derived from the operation of the Schools.**

Certain Indebtedness of Other Foundation Schools. Certain other issuers have previously issued bonds the proceeds of the sale of which were loaned by such issuers to the Foundation in connection with each related series of bonds (the "Other Foundation Bonds"). Certain information regarding currently outstanding Other Foundation Bonds is set forth in the following table.

Year of	Bond Caption and Initial Principal Amount	CUSIP

Issuance

2017	$40,485,000 initial aggregate principal amount - The Florida Development Finance Corporation Educational Facilities Revenue Bonds (Southwest Charter Foundation, Inc. Projects), Series 2017A	34061UCS5 (Final Maturity)
2023	Not to Exceed $45,610,000 Capital Projects Finance Authority Education Facilities Revenue Bonds (Southwest Charter Foundation, Inc. Projects), Series 2023A issued in the initial aggregate principal amounts of $18,585,000 Subseries 2023A-1 and Not to Exceed $9,730,000 Taxable Education Facilities Revenue Bonds (Southwest Charter Foundation, Inc. Projects), Series 2023B issued in the initial aggregate principal amount of $4,600,000 Subseries 2023B-1	14043FAA4 (Final Maturity for Subseries 2023A-1)

The repayment obligations of the Foundation with respect to each related series of Other Foundation Bonds are limited to the revenue generated by the facilities financed with the proceeds of the respective series of Other Foundation Bonds and will be secured by funds on deposit under the respective trust indentures relating to such series of Other Foundation Bonds and liens on the financed facilities. The Series 2023 Bonds are not secured by a lien on any of the facilities financed with the proceeds of the Other Foundation Bonds, nor secured by a lien on any revenues generated by any of the schools financed with proceeds of the Other Foundation Bonds.

See "BONDHOLDERS' RISKS - Limited Liability of the Foundation" herein.

The Schools

School facilities for the following Schools have been or will be financed or refinanced with proceeds of the Series 2007 Bonds, Series 2012 Bonds, and Series 2023 Bonds:

Gateway Charter Elementary School. Gateway Charter Elementary School, located in the west-central area of Lee County, shares a facility with Gateway Intermediate Charter School. The original facility, financed with the proceeds of the Series 2007 Bonds, consists of a two-story building containing approximately 60,800 square feet on an approximately 5.78-acre site. In 2008, the facility was expanded, using proceeds of the Prior Debt, to add an adjoining facility containing approximately 32,510 square feet an approximately one acre site. Gateway Charter Elementary School was originally a grades K-8 school, but in 2008, Gateway Intermediate Charter School was created to serve students in grades 5-8, with Gateway Charter Elementary School continuing to serve students in grades K-4. In July 2023, the Foundation's Charter for Gateway Charter Elementary School with The School Board of Lee County, Florida (the "Lee County School Board") was [renewed and amended to consolidate Gateway Charter Elementary School, Gateway Intermediate Charter School, and Gateway Charter High School into a single charter to serve students in grades K-12 with up to [1,400] students; such Charter expires on June 30, 2033. Gateway Charter Elementary School has its own playground, library, cafeteria and gym facilities.

Gateway Charter Elementary School has a 2023-24 school year enrollment of [____] students.

Gateway Intermediate Charter School. Gateway Intermediate Charter School shares a facility with Gateway Charter Elementary School for its 5th grade students, and for its grades 6-8 students it shares a facility with Gateway Charter High School.

Gateway Intermediate Charter School has a 2023-24 school year enrollment of [____] students.

Gateway Charter High School. Gateway Charter High School, located near the Gateway Charter Elementary School, consists of a three-story building containing approximately 104,000 square feet on an approximately 12-acre site with a design capacity of 1,600 students. Gateway Charter High School has its own track, soccer field, outside dining area, two computer labs, music room with stage, library, cafeteria, gym with motorized bleachers and full-size basketball court.

Gateway Charter High School has a 2023-24 school year enrollment of [____] students.

Mid Cape Global Academy. Mid Cape Global Academy f/k/a Cape Coral Charter School, located in the North Fort Myers area of Lee County, consists of a two-story building containing approximately 77,360 square feet on an approximately 5.15-acre site with a capacity for 1,340 students. The Foundation's Charter for Mid Cape Global Academy with the Lee County School Board provides for the operation of Mid Cape Global Academy for grades K-8 with up to 1,600 students; such Charter was renewed in 2023 and expires on June 30, 2033.

Mid Cape Global Academy has a 2023-24 school year enrollment of [____] students.

Six-Mile Charter Academy. Six-Mile Charter Academy, located in the central area of Lee County, consists of a two-story building containing approximately 77,360 square feet on an approximately 6.5-acre site with a design capacity of 1,340 students in grades K-8. The facilities have traditional classrooms, as well as specialty rooms, a computer lab and a multipurpose room. The Foundation's Charter for Six Mile Charter Academy with the Lee County School Board provides for the operation of Six Mile Charter Academy for grades K-8 with up to 1,600 students; such Charter was renewed in 2023 and expires on June 30, 2028.

Six Mile Charter Academy has a 2023-24 school year enrollment of [____] students.

Manatee Charter School. Manatee Charter School opened in August 2012 in Bradenton, Manatee County, Florida. The facilities were newly constructed prior to opening and consist of a 63,900 square foot facility with 55 classrooms on approximately 9.7 acres. The Foundation operates Manatee Charter School as a grades K-8 school under a charter with The School Board of Manatee County with up to 1,145 students; such Charter was renewed in 2020 and expires on June 30, 2025.

Manatee Charter School has a 2023-24 school year enrollment of [____] students.

[The following chart lists, for each School, the lessor under the related Lease, the sponsoring School Board and the Manager.]

School	Lessor	School Board (County)	Manager
Gateway Charter Elementary School	**Borrower[1]**	**Lee**	**Charter Schools USA at Lehigh Acres, L.C.**
Gateway Charter High School	**Borrower**	**Lee**	**Charter Schools USA at Gateway, L.C.**
Mid Cape Global Academy	**Borrower**	**Lee**	**Charter Schools USA at Cape Coral, L.C.**
Six-Mile Charter Academy	**Borrower**	**Lee**	**Charter Schools USA at Six Mile, L.C.**
Gateway Intermediate Charter School	**Borrower**	**Lee**	**Charter Schools USA at Lehigh Acres, L.C.**
Manatee Charter School	**Red Apple at Manatee, LLC**	**Manatee**	**Charter Schools USA at Manatee, LLC**

The Gateway Expansion consists of an approximately one acre site located adjacent to Gateway Charter Elementary School, and is used for parking and athletic facilities for Gateway Charter Elementary School.

[1] The Gateway Expansion, adjacent to Gateway Charter School, is owned by Red Apple at Gateway EXP, LLC and leased to the Borrower pursuant to the Red Apple Gateway Lease.

For additional information on the Borrower, the Foundation, the Schools and the Project, s*ee* "APPENDIX A – GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS".

Other Foundation Schools

The Foundation currently operates the Schools and the Other Foundation Schools, each of which is managed by a limited corporation or limited liability company of which the sole member is CSUSA. See "APPENDIX A - GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS – INTRODUCTION – The Foundation" attached hereto for a list of the Other Foundation Schools.

CSUSA

General

Charter Schools USA, Inc. ("CSUSA") currently has approximately 8,500 employees across Georgia, Louisiana, North Carolina, South Carolina, and Florida. CSUSA contracts with municipalities and public charter school boards to plan, develop, operate and meet educational and financial performance goals as outlined in School District-approved charter contracts. Over the course of 25 years of research, development and school operations, CSUSA's team of educators, administrators and operators have refined and implemented a research-based curriculum and school design. CSUSA opened its first school in 1998. For the 2023-24 school year, CSUSA manages 90 schools serving approximately 80,000 students in five states. For additional information on CSUSA, see "APPENDIX D - GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC."

Managers

Pursuant to separate Management Agreements by and between the Foundation and each Manager, each Manager shall be obligated to provide all labor, supervision, materials and equipment necessary for the educational requirements of students at the respective School(s), and for the management, operation and maintenance of the School(s). Each Manager is a separate limited liability company, the sole member of which is CSUSA.

In order to further secure the payment of debt service on the Bonds, the Foundation has all of its rights and interest in the Management Agreements to the Trustee, pursuant to Management Agreements Assignment.

Relationship to Red Apple

CSUSA is the sole member of each Manager. Red Apple Development is the sole member of each of Red Apple Gateway and Red Apple Manatee. CSUSA and Red Apple Development share common ownership control. None of CSUSA, the Managers, Red Apple Gateway, Red Apple Manatee or Red Apple Development is a "Borrower" under the Loan Agreement.

BONDHOLDERS' RISKS

The following are certain investment considerations and risk factors which should be carefully considered by prospective purchasers of the Series 2023 Bonds. The following list should not be considered to be exhaustive and has been prepared within the context of this Limited Offering Memorandum. Additional risks are discussed throughout this Limited Offering Memorandum, and inclusion under the heading "BONDHOLDERS' RISKS" should not be intended to signify any such risks are of more or less significance than those discussed elsewhere. Inclusion of certain factors below or elsewhere is not intended to signify that there are not other investment considerations or risks attendant to the Series 2023 Bonds.

Cautionary Statements Regarding Forward-Looking Statements in This Limited Offering Memorandum

When used in this Limited Offering Memorandum and in any continuing disclosure by the Borrower or the Foundation, in the Borrower's or the Foundation's press releases and in oral statements made with the approval of an

authorized executive officer of the Borrower or the Foundation, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those presently anticipated or projected. The Borrower and the Foundation caution readers not to place undue reliance on any such forward-looking statements. The Borrower and the Foundation advise readers that certain factors could affect the financial performance of the Borrower and/or the Foundation and could cause the actual results of the Borrower and/or the Foundation for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

General

The purchase of the Series 2023 Bonds involves certain investment risks which are discussed throughout this Limited Offering Memorandum. The Series 2023 Bonds should only be purchased by persons who can bear the continuing risk of a speculative investment. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on the Series 2023Bonds.

Limited Liability of the Issuer

The Series 2023 Bonds are not general obligations of the Issuer. The Series 2023 Bonds and the interest thereon shall never constitute the debt or indebtedness of the Issuer, the School Boards, the State or any political subdivision thereof within the meaning of any provision or limitation of the State Constitution or statutes or any home rule charter of any political subdivision thereof, and shall not constitute nor give rise to a pecuniary liability, or a charge against the general credit or taxing powers of the Issuer, the School Boards or the State or any political subdivision thereof. The Issuer has no taxing power.

The Series 2023 Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely out of the payments derived by the Issuer under the Loan Agreement from the Borrower or by the Trustee under the Indenture. The Borrower anticipates that revenues for such payments under the Loan Agreement shall be derived from Base Rentals received from the Foundation under the Foundation Lease, Additional Revenues received by each School and Pledged Revenues. The obligation of the Foundation to pay Base Rentals under the Foundation Lease constitutes a nonrecourse obligation of the Foundation, secured solely by and payable from Pledged Revenues when, as and if received by the Foundation. *See* "FORMS OF CERTAIN FINANCING DOCUMENTS – The Foundation Lease" in APPENDIX F hereto.

Limited Liability of the Borrower

The Borrower's payment obligations under the Loan Agreement are limited to revenues derived from the payments made by the Foundation under the Foundation Lease. Although the Borrower owns the 2007 Project and the facilities for Gateway Intermediate Charter School and leases them to the Foundation, and subleases the Gateway Expansion and the facilities for Manatee Charter School to the Foundation, the Borrower has no other assets, operations or sources of income.

Limited Liability of the Foundation

The Foundation's payment obligations under the Foundation Lease are limited to revenues derived from the operation of the Schools.

Limited Liability of Red Apple

Although Red Apple Gateway and Red Apple Manatee are executing the Red Apple Mortgages to secure the payment of the Series 2023 Bonds, **neither Red Apple Gateway nor Red Apple Manatee is a "borrower" under the Loan Agreement nor a guarantor of debt service payments on the Bonds**. The only assets of Red Apple Gateway and Red Apple Manatee securing the Series 2023 Bonds is their respective fee interests mortgaged pursuant to the Red Apple Mortgages.

No Liability of CSUSA

CSUSA is not guaranteeing, and has no other liability with respect to, any payments of principal or premium, if any, of or interest on the Series 2023 Bonds.

Risks Related to Infectious Viruses and/or Diseases

A novel coronavirus outbreak first identified in 2019 is causing coronavirus disease 2019 ("COVID-19"), which has been identified by the World Health Organization as a pandemic. Responses to COVID-19 have differed at the school, local, state, and national levels, although schools have been closed for various periods of time in many states and nations. On March 17, 2020, the Florida Department of Education (the "FLDOE") issued guidance closing all schools in the State through April 15, 2020, which was subsequently extended to the remainder of the 2019-20 school year. The State ordered all schools to open for brick-and-mortar operations for the 2020-21 school year, and the Schools operated for the 2021-22 school year with both brick-and-mortar and remote live learning modes before operating fully in-person for the 2022-23 school year and thereafter. Virus protection measures are being employed at the Schools.

The impact on learning environments, including possible future brick-and-mortar closures, cannot be determined or predicted at this time. The Borrower and the Foundation are continuing to monitor this situation and will adjust their responses in accordance with the recommendations or directives of federal, state, and local health officials and governmental authorities. Due to the COVID-19 pandemic, Governor Ron DeSantis (the "Governor") executed Executive Order No. 20-52 stated that all K-12 assessments for the 2019-20 school year would be cancelled. This included all FSA and EOC assessments in algebra 1, biology, geometry, civics, and history. Assessments for the 2020-21 school year were held, but schools were able to choose whether to receive resulting grades. See APPENDIX A – "GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS – THE SCHOOLS – Progress Reports" and APPENDIX D – "GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC." attached hereto.

In addition to school closures, the spread of COVID-19, among other causes, has created volatility in stock and bond markets in the United States and globally, which has affected the market for private activity bonds, like the Series 2023 Bonds, and which has affected or may affect the financial condition of State and federal governments. While the effects of COVID-19, including these lagging school-level and financial market-related indicators, cannot be determined or predicted at this time, the outbreak may have a materially adverse effect on the ability of the Foundation to operate the Schools, on demand for the Schools' services, or on the Foundation's financial condition as a result of the foregoing, materially adverse changes in the financial condition of the State or federal governments resulting in changes affecting funding of charter schools, or materially adverse changes in the public education marketplace in general. While the foregoing describes certain risks related to the coronavirus outbreak and COVID-19 ongoing as of the date of this Limited Offering Memorandum, the same types of risks may be associated with any contagious, epidemic, or pandemic disease. Any of the foregoing could have a material adverse effect on the ability of the Foundation to make lease payments under the Foundation Lease in respect of debt service on the Bonds.

Sufficiency of Revenues

The Bonds are payable solely from certain payments, revenues and other amounts derived by the Issuer pursuant to the Indenture and the Loan Agreement, and are secured only by such revenues and a pledge of certain funds and accounts created under the Indenture and the additional security provided by the Loan Agreement and the Red Apple Mortgages. Based on present circumstances, and based on its projections regarding enrollment, the Borrower and the Foundation believe they will generate sufficient Pledged Revenues for payment of debt service on the Bonds. However, one or more Charters may be revoked or may not be renewed, or the basis of the assumptions used by the Borrower and the Foundation to formulate their beliefs may otherwise change. No representation or assurance can be made that the Foundation will continue to generate sufficient Pledged Revenues to make payments under the Foundation Lease representing debt service on the Bonds.

Limitations on Charter Revenues

The availability of Charter Revenues under the Charters and of Additional Revenue and the levels of expenses with respect to operations of the Schools may affect the ability of the Foundation to make payments under the Foundation Lease. If sufficient funds are not generated from Charter Revenues and Additional Revenue, there can be no assurance that the Foundation will have adequate funds to operate the Project successfully as charter schools and to pay amounts due under the Foundation Lease. Neither the Borrower nor the Foundation can assess or predict the ultimate effect of these factors on their operations or financial results of operations.

Charter Revenues include, but are not limited to, (i) state and local funds apportioned to the Foundation from the School Boards, in accordance with a statutory formula based on the number of weighted full-time equivalent students ("FTEs") attending any School (the "School Board Revenues"), (ii) state revenues appropriated by the State of Florida for charter school capital outlay funding purposes, if any ("Capital Outlay Revenues"), (iii) fee income derived from related operations of facilities at the Schools, if any, such as pre-school or child care (the "Fee Income") and (iv) use or lease payments made to the Foundation by third party users of the Project. It should be noted that in order to be eligible for Capital Outlay Revenues, a charter school must (i) have been in operation for at least three years, (ii) be governed by a governing board established in the state for three or more years which operates both charter schools and conversion charter schools within the state, (iii) be an expanded feeder chain of a charter school within the same district that is currently receiving Capital Outlay Revenues, (iv) have been accredited by the Southern Association of Colleges and Schools, or (v) serve students in facilities that are provided by a business partner for a charter school-in-the-workplace. The charter school must also have financial stability for future operation as a charter school, final approval from its sponsor for operation during that fiscal year, and serve students in facilities that are not provided by the charter school's sponsors.

A significantly large percentage of the revenues received from the State are generated from the levy of the state sales tax. The amounts budgeted for distribution from the State are subject to change in the event that projected sales tax and other state revenues are not realized. The State has experienced significant shortfalls in sales tax revenues in recent years which have resulted in cuts to Capital Outlay Revenues on a per student basis. Also, the State may determine to fund lower Capital Outlay Revenues, without regard to sales tax collections. The ability of each School to pay its costs of operation in the future may be partially dependent on the level of Capital Outlay Revenues appropriated each year by the Florida Legislature. Although the number of charter schools has increased in Florida over the last several years, there has not been a concurrent increase in appropriations for capital outlay funds for charter schools, resulting in the reduction of per student appropriations of Capital Outlay Revenues over the last few years. If sales tax revenues continue to fall short of the anticipated levels in the State of Florida, and alternate revenue sources are not designated for charter school funding requirements, the per student level of capital outlay funding for charter schools may continue to diminish. Any such reduction in Capital Outlay Revenues could result in a reduction in Charter Revenues, which would be anticipated to limit the Foundation's ability to make payments due under the Foundation Lease.

In addition, the State's payment of funds to school boards with respect to Florida charter schools is subject to annual appropriation by the State legislature. There can be no assurance that the State will continue to provide funding for charter schools, or that funding will continue at the present levels or even at levels necessary to provide for future charter school operations.

Generally, charter schools across the nation have come under some criticism as having failed to meet certain objectives in educating students to a success level above students in traditional public school systems. Proponents of charter schools have indicated that comparisons used in such critiques often fail to measure performance between similarly situated schools or fail to acknowledge the time that will be required for a charter school system to develop historically significant data. In any event, the politically sensitive issues surrounding the development of charter schools will continue to warrant public and media attention, and any development of a national sense that charter schools do not present a fiscally responsible alternative could adversely affect the willingness of states, including Florida, to fund charter school operations or the willingness of local or State school officials to approve or renew school charters.

Termination, Nonrenewal or Revocation of Charter

The primary source of revenues to the Foundation is expected to be Charter Revenues. The Foundation holds the charters for each of the Schools, pursuant to a separate Charter granted by the local School Board. The commencement date and current expiration date for the Charters for each School are set forth above under "INTRODUCTION - The Charters". Each Charter provides that it may be renewed but there can be no assurance that the School Board will renew any Charter for such period or additional periods. Charters may be terminated by the School Board, or the School Board may choose not to renew a Charter, upon any of the following statutory grounds: (i) if the Foundation fails to participate in the State's education accountability system created in Section 1008.31 of the Florida Statutes, or fails to meet the requirements for student performance stated in the Charter; (ii) if the Foundation fails to meet generally accepted standards of fiscal management; (iii) if violations of law occur; or (iv) for good cause shown. State law also provides that a Charter may be terminated immediately if the School Board determines that an immediate and serious threat to the health, safety, or welfare of the students exists. The Charter will also be terminated if the School earns an "F" grade in the State's accountability system for two consecutive years. *See* APPENDIX E - "GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS."

In addition to the statutory revocation provisions, each of the Charters provides that it may be terminated by the related School Board if the Foundation makes insufficient progress toward the student achievement objectives included in the Charter, and if it is not likely that such objectives can be met before the expiration of the Charter. The School Board may also terminate the Charter if the Foundation consistently fails to submit required financial and annual reports in a timely fashion as stated in the Charter. If a Charter is terminated or not renewed, the Foundation would likely be forced to cease operations at that School. The loss of a Charter does not constitute an event of default under the Indenture, the Loan Agreement or any of the Leases, but such a loss of a Charter would result in the Bonds (including the Series 2023 Bonds) being subject to extraordinary optional redemption as described herein under the caption "THE SERIES 2023 BONDS – Redemption Prior to Maturity – Extraordinary Optional Redemption".

Further, the termination or nonrenewal of a charter for any charter school operated by the Foundation or managed by CSUSA could negatively impact the reputation of the Foundation or CSUSA and their operated or managed schools, including the School, with potential consequences including those described herein under the captions "BONDHOLDERS' RISKS – Reputational Risk" and " – Foundation System; Other Foundation Schools."

Changes in Law; Annual Appropriation; Inadequate State Payments

The State Legislature has amended the State's charter school laws a number of times since they were originally enacted, including during the State Legislature's 2017 Regular Session, in which the State Legislature passed House Bill 7069 ("HB 7069"). Included in HB 7069 is a requirement that school districts distribute local capital outlay funds from the Local Option Millage Levy to charter schools. HB 7069 establishes the calculation methodology to determine the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school. Such calculation provides that the amount of local capital outlay funds from the Local Option Millage Levy a school district must distribute to each eligible charter school is reduced by the school district's annual debt service obligation incurred as of March 1, 2017, and requires the first payment to charter schools as of February 1 of each year, commencing February 1, 2018. HB 7069 has faced various legal challenges since enacted. Most recently, nine State school districts appealed their case to the Florida Supreme Court after having lost their challenge to the law in the lower courts. The Florida Supreme Court did not hear the case and the legal challenge to HB 7069 ended.

In its 2018 regular session, the State Legislature passed House Bill 7055 ("HB 7055"). Among other things, HB 7055 reduces the burden of HB 7069 on school districts by offsetting the 2018-19 State capital outlay for school buildings and other long-term expenses of eligible charter schools. The State's funding level for 2018-19 is a benchmark for the charter school capital outlay, which will rise each year to adjust for inflation and enrollment growth; however, if State funding ever falls below the benchmark, capital outlay funds from the Local Option Millage Levy will be distributed by districts to pay the deficiency.

In 2019, the State Legislature passed Senate Bill 7070 ("SB 7070"), which was signed by the Governor on May 9, 2019. SB 7070 revised programs through which certain parents may seek vouchers for private school educations, allowed charters to include a provision that charter schools be held responsible for all costs incurred by the school district in connection with complaints to the Office of Civil Rights or the Equal Employment Opportunity Commission, and made other changes to education-related laws and programs.

In 2019, the State Legislature passed House Bill 7123 (Laws of Florida 2019-42, "HB 7123"), which requires that school districts share local tax referendum money for school operational purposes with charter schools based on the charter schools' proportionate share of students in the school district for referenda passed after July 1, 2019 and also requires such referendum to meet certain requirements. HB 7123 was passed to codify a court decision finding that school boards must share local tax referendum money for school operational purposes with charter schools based on the charter school's proportionate share of students in the school district. The impact of HB 7123 on the interpretation or application of local referenda relating to school operational funding that passed prior to July 1, 2019, is unclear at this time.

In its 2020 regular session, the State Legislature passed several bills that affect public and charter schools: (i) House Bill 641 (Laws of Fla. 2020-94, "HB 641"), which increased the state budget by $500 million to raise the minimum base pay for full-time classroom teachers and to raise the salaries of veteran teachers and other instructional personnel; (ii) House Bill 7067 (Laws of Fla. 2020-95, "HB 7067"), which provided for a significant increase in the number of private school vouchers awarded by the State; and (iii) Senate Bill 70 (Laws of Fla. 2020-145, "SB 70"), which mandated the implementation of mobile panic alarms in all public schools. Subsequently, all three bills have been signed into law.

In its 2021 regular session, which ended on April 30, 2021, the State Legislature passed House Bill 5101 ("HB 5101"), which (i) revised certain requirements for school districts providing virtual instruction programs; (ii) removes provisions relating to specified funding allocations under the Florida Education Finance Program ("FEFP"); (iii) revised provisions relating to adjustments to minimum base salary of instructional personnel, and (iv) required school districts to use a specified portion of their ESSER funds to locate unaccounted students within their school districts and to remediate the learning loss among kindergarten to grade 12 students. The State Legislature also passed Senate Bill 1028 ("SB 1028") that (i) authorized state universities and Florida College System ("FCS") institutions to solicit applications and sponsor charter schools upon approval by FLDOE; (ii) authorized charter schools to provide career and professional academies and revises charter school enrollment limitations; (iii) authorized a charter school that is an exceptional student education center that receives a rating of "maintaining" or higher may replicate its educational program; (iv) banned transgender females from competing in girl's and women's sports; (v) allowed a virtual charter school to offer part-time instruction; and (vi) revised the procedures for immediately terminating a charter school. SB 1028 is effective as of July 1, 2021. See "BONDHOLDERS' RISKS – Risks Related to Infectious Viruses and/or Diseases" herein and APPENDIX E – "GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS."

On June 1, 2022, the Governor signed Senate Bill 758 ("SB 758") into law, which, in part, established a commission within FLDOE that solicits, reviews, and approves charter school applications in the State. The effects of SB 758 on the operations of the Foundation cannot be determined or predicted at this time. In addition, pursuant to SB 758, a charter school that has a school grade of "A" or "B" shall receive (absent a financial emergency as defined by statute) a 15-year renewal of its charter agreement. A charter school with a school grade of "C" shall receive a five-year renewal of its charter agreement, pursuant to SB 758. See "APPENDIX E - GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS – INTRODUCTION – 2022 Charter School Legislation and Recent Case Law – Senate Bill 758."

In its 2023 regular session, which ended on May 5, 2023, the State Legislature passed several bills that affect public and charter schools including: (i) House Bill 1259, which revised charter school eligibility and ineligibility criteria to receive capital outlay funds; (ii) House Bill 443, which expedited reimbursement of federal grant funds to charter schools and expanded adjunct teaching certificate from 3 to 5 years; (iii) House Bill 1035 and 11225, which addressed the teacher shortage; and (iv) House Bill 1537, which extended teacher certification from 3 to 5 years and expanded temporary teaching certification eligibility. See "APPENDIX E - GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS – INTRODUCTION – 2023 Charter School Legislation and Recent Case Law."

Future amendments to the State's charter school laws may adversely affect the Foundation by altering charter school funding, by decreasing the maximum allowable charter term, by implementing additional assessments of each school's effectiveness every year, by limiting the number of students for which State funds are available, by limiting the enrollment of or the population of pupils eligible for enrollment in charter schools, by mandating new facilities or programs which may cost more than has been projected, by reducing the maximum amount payable by the State for students enrolled by the Foundation, by revising the relative responsibilities between school districts and the State for financing schools (including charter schools), or by eliminating the authority for charter schools.

In addition, the State Legislature must appropriate funds for public education each year and could appropriate funds at a level insufficient to enable the Foundation to make payments due under the Foundation Lease and pay its Operating Expenses. Similarly, the State per pupil allocation may be reduced or not keep pace with expenses such that the aggregate payments to the Foundation are inadequate to allow the Foundation to make payments due under the Foundation Lease and pay its Operating Expenses. The State Legislature may base its decisions about appropriations on many factors, including the State's economic performance. Further, because some public officials, their constituents, commentators, and others have viewed charter schools as controversial, political factors may also come to bear on charter school funding. As a result, the State Legislature may not appropriate funds, or may not appropriate funds in a sufficient amount, for the Foundation to generate sufficient revenue to make payments due under the Foundation Lease and meet its budgeted expenses. No liability would accrue to the State in such event and the State would not be obligated or liable for any future payments or any damages. State educational funding flows to the Foundation through the School Boards. If the State or the School Boards were to withhold the funding for the Foundation for any reason, even for a reason that is ultimately determined to be invalid or unlawful, the Foundation would likely be forced to cease operations at one or more the Schools. Also, amendments to federal legislation, including the Every Student Succeeds Act ("ESSA"), could have an adverse effect on federal grant funds available to the Schools.

Compliance with Federal and State Accountability Requirements

Title I of the Elementary and Secondary Education Act, as reauthorized by ESSA, requires each state to submit a plan outlining its statewide accountability system to the U.S. Department of Education. The State's plan for implementing the ESSA was approved by the U.S. Department of Education on September 26, 2018. The State's plan did not make changes to the State's state accountability systems, but it added a federal calculation to satisfy the ESSA requirements. It is unknown how the State's plan for its statewide accountability system or how the implementation of ESSA will affect the Foundation.

Failure of one or more Schools to meet the requirements of ESSA or a revised State accountability system may have a material adverse effect on the Foundation and its ability to make payments due under the Foundation Lease. For more information about State standards under the waiver, see APPENDIX E – "GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS." [Placeholder for discussion of Grades]

Operating History; Reliance on Examined Forecasts

The Foundation has operated charter schools since 2003, when it opened Gateway Charter Elementary School. Gateway Charter High School and Mid Cape Global Academy opened in 2004. Six-Mile Charter Academy opened in 2005. Gateway Intermediate Charter School opened in 2008. Manatee Charter School opened in 2012. The forecasted combined financial statements prepared by Keefe, McCullough and Co., LLP, presented in APPENDIX C – "FORECASTED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDING JUNE 30, 2024, 2025, 2026, 2027, AND 2028" are based upon information provided by CSUSA and are derived from (i) the Foundation's historical operation of, and forecasts for, the Schools, and (ii) the Foundation's and CSUSA's assumptions about future State funding levels, student enrollment and expenses. The forecast is a "forward-looking statement" and is subject to the general qualifications and limitations described above under "Cautionary Statements Regarding Forward-Looking Statements in this Limited Offering Memorandum." Neither the Issuer nor the Underwriter have independently verified such forecast, and make no representation nor give any assurance that such forecast, or the assumptions underlying them, are complete or correct. Further, the forecast is only for the years ending June 30, 2024 through June 30, 2028, and does not cover the entire period during which the Series 2023 Bonds may be outstanding.

No assurance can be given that the results described in the projections will be achieved, or that there has been no change in underlying considerations since the date of this Limited Offering Memorandum. Refer to APPENDIX C – " FORECASTED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDING JUNE 30, 2024, 2025, 2026, 2027, AND 2028" to review the projections, their underlying assumptions, and the various factors that could cause actual results to differ significantly from projected results.

NO GUARANTEE CAN BE MADE THAT THE PROJECTED INFORMATION CONTAINED HEREIN WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE BECAUSE THERE CAN BE NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS UNDERLYING SUCH PROJECTED INFORMATION. ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY FACTORS, INCLUDING, BUT NOT LIMITED TO, INCREASED COSTS, LOWER THAN ANTICIPATED REVENUES (AS A RESULT OF INSUFFICIENT ENROLLMENT, REDUCED STATE OR FEDERAL AID PAYMENTS, OR OTHERWISE), EMPLOYEE RELATIONS, CHANGES IN TAXES, CHANGES IN APPLICABLE GOVERNMENTAL REGULATION, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN EDUCATION COMPETITION AND LOCAL OR GENERAL ECONOMIC CONDITIONS.

Reputational Risk

Each School is subject to financial and other risks, which risks may differ from those of other private, charter or public schools. For example, changes in the reputation of such School, its Manager, CSUSA and/or the School's faculty or student body, either generally or with respect to certain academic or extra-curricular areas, may affect the School's ability to attract students to projected enrollment levels, and may affect the School's ability to attract quality teachers and staff at competitive salaries. Such changes in reputation may include, but are not limited to, those changes arising out of the academic performance or charter nonrenewal or termination of Other Foundation Schools, including as described herein under the heading "THE FOUNDATION AND THE SCHOOL – Other Foundation Schools," faculty or student behavior and actions within and outside of the school environment, and any media coverage and/or public discussion thereof. In addition, litigation brought against such School, its Manager or CSUSA by parents, civil authorities, students or former or potential employees (see "LITIGATION" and "APPENDIX D – GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC. – Litigation" herein) may have a materially adverse impact on the reputation of the School, its Manager and/or CSUSA. There can be no assurance that these or other factors will not adversely affect the Foundation's ability to generate adequate funds from the Schools to pay all amounts due under the Foundation Lease.

Foundation System; Other Foundation Schools

As described herein and in "APPENDIX A - GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS," the Foundation governs nine schools for the 2023-24 school year, each pursuant to its own charter contract (such charter contracts for the Other Foundation Schools, the "Other Charters"). Each of the schools within this "Foundation System" is currently managed or to be managed by CSUSA pursuant to a separate management agreement.

While the Schools financed and to be financed by the Series 2023 Bonds are part of this Foundation System, so are the Other Foundation Schools. Although none of the revenues or assets of the Other Foundation Schools are pledged as security for the Foundation's payment obligations under the Foundation Lease in respect of the Bonds, the operations of the Other Foundation Schools could have an impact on the operations or financial performance of the Foundation and the Schools. For example, if operations at one of the Other Foundation Schools produced poor academic performance or resulted in the termination of any Other Charter, the Foundation might face additional scrutiny in an attempt to renew the Charters. In addition, operation of the Other Foundation Schools or any future operations of the Foundation unrelated to the Schools could result in the Foundation being subject to proceedings under State or Federal bankruptcy, insolvency or similar laws, which event would be an Event of Default under the Foundation Lease and could lead to an acceleration of the payment of the Bonds. Moreover, as discussed herein under "BONDHOLDERS' RISKS – Reputational Risks," because of the integrated nature of the Foundation System, in which all schools are managed by CSUSA, events affecting one or more of the Other Foundation Schools or CSUSA could indirectly affect the Schools if such events were to affect the reputation or

financial condition of the Borrower, the Foundation System or CSUSA, or were to require extraordinary attention from or resources of CSUSA management at one or more of the Other Foundation Schools in response.

Litigation

Schools are often the subject of litigation. Educator's professional liability and other actions alleging wrongful conduct and seeking punitive damages often are filed against education providers such as the Schools, the Foundation, CSUSA and the Managers. Litigation may also arise from the corporate and business activities of the Schools, the Borrower, the Foundation, CSUSA or the Managers, concerning employee-related matters. As with educator's professional liability, many of these risks are covered by insurance, but some are not. For example, some business disputes and workers' compensation claims are not covered by insurance or other sources and, in whole or in part, may be a liability of the Foundation, CSUSA or a Manager and its affiliates if determined or settled adversely. Although each of the Foundation, CSUSA and the Managers maintain insurance policies covering educator's professional and general liability, management of the Foundation is unable to predict the availability, cost or adequacy of such insurance in the future.

There can be no assurance of the outcome of any litigation or the amount of any liability in connection with any such litigation. If any of the Managers were no longer able to provide management services to any of the Schools, the Foundation would be required to contract with another management company for operation and management of such School or Schools, or assume such management itself. If any Manager were no longer able to provide management services to any School, there can be no assurance that the Foundation would be able to contract with another qualified charter school manager in a timely manner.

See APPENDIX D – "GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC. – Litigation Involving CSUSA.

Competition for Students; School Choice Initiatives

The Schools are and will be competing with public schools and other charter schools for students within the districts in which the Schools are located and with private schools within or near such districts. There can be no assurance that the Schools will attract and retain the number of students sufficient to produce the revenues necessary to operate the Schools. As charter schools become more common, and as existing charter schools demonstrably provide an attractive educational choice, the number of charter schools may increase, leading to increased competition for existing charter schools, such as the Schools.

HB 7055 expanded the State's existing voucher plan to provide vouchers for victims of bullying beginning with the 2018-19 school year. SB 7070, which further increased the number of State students who can use vouchers to pay for private schools, was passed by the State's House and Senate, and signed into law by the Governor. HB 7055, SB 7070, and any further expansion of the State's existing voucher plan or adoption of a general voucher plan also could adversely impact the operation of charter schools in the State. A continued or expanded voucher program could provide significant competition to the Schools by providing parents who could not otherwise afford tuition at a private, independent school, with resources to cover all or a portion of such costs. Continuation or expansion of such voucher program would likely increase demand for private, independent schools, possibly adversely affecting enrollment at other schools, including both public schools and charter schools, like the Schools.

As described above under the heading "Changes in Law; Annual Appropriation; Inadequate State Payments," during the State Legislature's 2017 Regular Session, the State Legislature passed HB 7069. HB 7069 authorized the establishment of charter schools to be known as "schools of hope," and the designation of "hope operators" to provide students in areas of persistently low-performing schools with a high-quality education option designed to close the opportunity gap and increase student achievement. HB 7069 (i) established criteria for schools of hope and hope operators; (ii) defined persistently low-performing schools as those subject to differentiated accountability (that is, the escalating interventions and supports that must be provided to schools receiving school grades of "D" or "F") for more than three years or closed as a result of school improvement requirements; (iii) authorized the FLDOE to identify and designate hope operators who meet specified criteria; (iv) removed barriers to hope operators by creating a new notice and agreement process that is exempt from the current charter school law and State procurement laws; (v) provided a school of hope with certain exemptions from Chapters 1000-1013,

Florida Statutes; (vi) provided provisions for facilities and funding for schools of hope; (vii) establishes a grant program to cover specified operational expenses; and (viii) established the Schools of Hope Revolving Loan Program to help schools of hope cover school building construction and startup costs.

On May 11, 2021, the Governor signed House Bill 7045 ("HB 7045") into law, which merged the State's school choice programs for certain disabled students and expanded eligibility for school voucher programs for low- and middle-income students and students subject to harassment, consolidated existing school-choice programs, increased the amount of State funding for the consolidated school-choice programs to $200 million and allowed the use of scholarship funds for private school tuition and other expenses such as tutoring, computers, and internet access. HB 7045 became effective on July 1, 2021.

Also described above under the heading "Changes in Law; Annual Appropriation; Inadequate State Payments" and in APPENDIX E – "GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS," the State Legislature passed HB 7067, which quadrupled the rate at which the voucher program would grow annually.

On March 27, 2023, the Governor signed House Bill 1 ("HB 1") into law, which further expands the State's voucher program and school choice options for all K-12 students in the State. HB 1 eliminated the financial eligibility restrictions and allows any student who is eligible to enroll in K-12 to participate in available school choice options. HB 1 prioritizes awards to students with household incomes that do not exceed 185 percent of the federal poverty level, while incorporating a second priority to award scholarships to students who live in households with incomes between 185 percent of the federal poverty level and 400 percent of the federal poverty level. Additionally, HB 1 increased the annual scholarship adjustment for the Family Empowerment Scholarship for Students with Unique Abilities from one percent to three percent to address high demand and wait lists.

Neither the Foundation nor CSUSA can determine the specific impact the State's continuation or expansion of its voucher program pursuant to HB 7055, HB 7070, HB 7069, SB 7045, HB 7067 or HB 1 will have on competition for the Schools or the operation or financial performance of the Schools.

Operating Risks

The Series 2023 Bonds are payable solely from payments to be made by the Borrower pursuant to the Loan Agreement. Those payments, in turn, are to be derived from Base Rentals and Additional Rent payments required to be made by the Foundation pursuant to the Foundation Lease. The Borrower's loan payment obligations under the Loan Agreement are secured by a fee mortgage interest in the 2007 Project and the facilities for Gateway Intermediate Charter School, and Red Apple previously granted a fee mortgage interest in the Gateway Expansion and the facilities for Manatee Charter School and a lien on and pledge of the Pledged Revenues, which consist of, inter alia, Charter Revenues and Additional Revenue. Future revenues and expenses of the Foundation are subject to conditions which may change in the future to an extent that cannot be determined at this time.

Future revenues and expenses will generally be subject to, among other things, general economic conditions, demographics with respect to the available pool of students, termination or nonrenewal of Charters, the capabilities of management in marketing and managing the Schools, the availability of funds to maintain and expand the Schools, the availability of qualified instructors for the Schools, changes in the economy in general, increasing costs of compliance with federal or State regulatory laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety and accommodating persons with disabilities, any unionization of any School's work force with consequent impact on wage scales and operating costs and other conditions which are unpredictable and which may adversely affect the ability of the Foundation to pay obligations under the Foundation Lease and, in turn, the Borrower's ability to make payments under the Loan Agreement and the Management Agreements.

State Financial Difficulties

Charter schools depend on revenues from the State for a large portion of their operating budgets. The availability of State funds for public education is a function of legal provisions affecting school district revenues and

expenditures, the condition of the State economy and the annual budget process. Decreases in State revenues may adversely affect education appropriations made by the State Legislature. As noted, the State Legislature bases its decisions about appropriations on many factors, including the State's economic performance, and, because some public officials, their constituents, commentators, and others have viewed charter schools as controversial, political factors may also come to bear on charter school funding. See "BONDHOLDERS' RISKS - Changes in Law; Annual Appropriation; Inadequate State Payments" above.

The Governor signed into law the General Appropriations Act for Fiscal Year 2023-24 (the "Budget") on June 15, 2023, totaling approximately $116.5 billion. As part of the State FEFP funding, the Budget includes the highest per student investment of $8,648, which is an increase of $405 over Fiscal Year 2022-23. The Budget appropriates $26.8 billion in total funding for the FEFP, which includes increases of (i) $552 in the Base Student Allocation; (ii) $20 million for the mental health allocation, totaling $160 million; (iii) over $250 million for salary increases, totaling $1.1 billion; (iv) $40 million for safe school initiatives, totaling $250 million; and (v) $21 million for student transportation, totaling $536 million.

In 2006, State voters adopted a constitutional amendment that required the development of a Long-Range Financial Outlook, setting out recommended fiscal strategies for the State and its departments in order to assist the legislature in making budget decisions. A report entitled State of Florida Long-Range Financial Outlook Fiscal Year 2024-25 through 2026-27 (the "2023 Outlook"), jointly prepared by the State's Senate Committee on Appropriations, House Appropriations Committee and Legislative Office of Economic and Demographic Research was adopted by the Legislative Budget Commission on September 8, 2023. The 2023 Outlook identifies "critical needs" and "high priority needs." The 2023 Outlook groups expenditure projections into two categories: (1) "Critical Needs," which are generally mandatory increases based on estimating conferences and other essential needs; and (2) "Other High Priority Needs," which are issues that have been funded in recent State budgets. The 2023 Outlook identifies 14 Critical Needs and 28 Other High Priority Needs, with total General Revenue needs of $4.9 billion in Fiscal Year 2024-25, $5.3 billion in Fiscal Year 2025-26, and $4.7 billion in Fiscal Year 2026-27. Notably, the three-year cost for the budget drivers included in this year's Outlook is nearly $15 billion – more than twice the $7.2 billion contemplated in the 2022 Outlook. After all revenue and appropriation changes are incorporated, the projected ending balance on the State's official Financial Outlook Statement for Fiscal Year 2023-24 is $8.8 billion.

Any future decreases in State revenues may adversely affect education appropriations made by the State Legislature. The adverse effect may be exacerbated in the future to the extent that the State relies in part on federal stimulus funding in the near term. None of the Borrower, the Foundation, CSUSA, or any other party to the Series 2023 Bond transaction can predict how State income or State education funding will vary over the entire term of the Series 2023 Bonds. No parties to the Series 2023 Bond transaction take any responsibility for informing owners of the Series 2023 Bonds about any such changes. Information about the financial condition of the State, as well as its budget and spending for education, is available and regularly updated on various State-maintained websites. Such information is prepared by the respective State entity maintaining each such website and not by any of the parties to this transaction. The parties to this transaction take no responsibility for the accuracy, completeness or timeliness of such information and no such information is incorporated herein by these references.

Series 2023 Subaccounts of Debt Service Reserve Fund to be Applied to Final Maturity of Series 2023 Bonds

Separate accounts within the Debt Service Reserve Fund for the Series 2023A Bonds and the Series 2023B Bonds are being funded with proceeds of the Series 2023 Bonds. **[Debt service for the Series 2023 Bonds is structured such that the principal due on the Series 2023 Bonds on the final semi-annual principal payment due is significantly higher than on any other semi-annual principal payment date.]** Such structure assumes that all amounts in the Series 2023 Subaccounts of the Debt Service Reserve Fund will be available and will be applied towards the payment of principal on the Series 2023 Bonds on the final semi-annual principal payment date. However, if there is a draw on the Series 2023 Subaccounts of the Debt Service Reserve Fund that is not replenished as required by the terms of the Indenture and the Loan Agreement, or if there is a loss on investments of funds in the Series 2023 Subaccounts of the Debt Service Reserve Fund, then the amounts available in the Series 2023 Subaccounts of the Debt Service Reserve Fund, together with amounts provided by the Borrower under the Loan Agreement, may be insufficient to pay debt service on the Series 2023 Bonds when due.

The calculations of Long-Term Debt Service Coverage Ratio pursuant to the Loan Agreement will apply amounts on deposit in the Series 2023 Subaccounts of the Debt Service Reserve Fund as a credit against scheduled debt service payments in the year of final maturity of the Series 2023 Bonds.

The Series 2023 Subaccounts of the Debt Service Reserve Fund secures the Series 2023 Bonds only, and does not secure the Series 2007 Bonds or the Series 2012 Bonds. **The Series 2012 Account of the Debt Service Reserve Fund secures the Series 2012 Bonds only, and does not secure the Series 2007 Bonds or the Series 2023 Bonds. The amounts deposited in the Debt Service Reserve Fund for the Series 2007 Bonds secure only the Series 2007 Bonds, and do not secure the Series 2012 Bonds or the Series 2023 Bonds**.

Terms of Management Agreements Shorter than Final Maturity Date of Series 2023 Bonds

Each of the initial Management Agreements between the Foundation and a Manager will have an initial term shorter than the period the Series 2023 Bonds are expected to be outstanding, which term is subject to extension as described in the Management Agreements. The substantially final form of the Management Agreement for [Gateway Charter Elementary School] is included in APPENDIX F attached hereto. The Management Agreements for the other Schools are substantially similar to the Management Agreement for [Gateway Charter Elementary School]. Neither the Foundation nor the Borrower has any employees, and the Foundation relies on the Managers for all aspects of operation of the Schools. In the event any Management Agreement expires or is terminated in accordance with its terms, the Foundation would be required to contract with another management company for operation and management of the related School, or assume such management itself. Under the Indenture, payment of management fees are subordinate to payment of debt service on the Series 2023 Bonds, Debt Service Reserve Fund replenishment, if required, and payment of Operating Expenses of the Schools. In the event any Management Agreement expires or is terminated in accordance with its terms, there can be no assurance that the Foundation would be able to contract with another qualified charter school manager in a timely manner and on terms that reflect subordination of payment of management fees as required in the Indenture.

Covenant to Maintain Tax-Exempt Status of the Series 2023A Bonds

The excludability from gross income for federal income taxation purposes of the interest on the Series 2023A Bonds is based on continuing compliance by the Borrower, the Foundation and the Issuer with certain covenants contained in the Indenture, the Loan Agreement and the Tax Exemption Agreement and Certificate of the Issuer, the Foundation and the Borrower, to be dated as of the delivery date of the Series 2023 Bonds (the "Tax Agreement"). These covenants relate to the restrictions on the use of the Project, restrictions on leasing all or a portion of the Project to organizations other than Tax-Exempt Organizations with purposes similar to those of the Foundation, restrictions on terms of management contracts relating to such facilities, arbitrage limitations, and rebate of certain excess investment earnings, if any, to the federal government. Failure to comply with such covenants could cause interest on the Series 2007 Bonds, Series 2012 Bonds and/or Series 2023A Bonds to become subject to the federal income taxation retroactive to the date of issuance of the Series 2007 Bonds, Series 2012 Bonds or the Series 2023A Bonds, as the case may be. A "Determination of Taxability" with respect to the Series 2007 Bonds, Series 2012 Bonds the Series 2023A Bonds or any tax-exempt Additional Bonds will result in the mandatory redemption of all such tax-exempt Bonds as described below under the caption "THE SERIES 2023 BONDS – Redemption Prior to Maturity – Mandatory Redemption Upon Determination of Taxability".

Risks Related to Remedies

Pledge, Assignment, and Grant of Security Interest. Pursuant to the Loan Agreement, the Borrower previously granted a fee mortgage interest in the 2007 Project and the facilities for Gateway Intermediate Charter School, and Red Apple previously granted a fee mortgage interest in the Gateway Expansion and the facilities for Manatee Charter School. There can be no assurances that any proceeds collected from a foreclosure or other remedial action with respect to the Project will produce proceeds sufficient to fully discharge the Bonds.

In addition, certain interests and claims of others may be on parity with or prior to the pledge, assignment, and grant of the security interest made in the Loan Agreement, the Red Apple Mortgages and in such instruments, and certain statutes and other provisions may limit the right of the Borrower, Red Apple or the Trustee to make such pledges, assignments, and grants of security interests. Examples of such claims, interests, and provisions are:

(A) statutory liens,

(B) the Uniform Commercial Code may not recognize a security interest in future revenues derived from the Facilities,

(C) constructive trusts, equitable liens, or other rights impressed or conferred by any state or Federal court in the exercise of its equitable jurisdiction,

(D) Federal bankruptcy laws as they affect amounts earned with respect to the Facilities after any effectual institution of bankruptcy proceedings by or against the Borrower, the Foundation or Red Apple,

(E) as to those items in which a security interest can be perfected only by possession, including items converted to cash, the rights of third parties in such items not in the possession of the Trustee,

(F) prohibitions against assignment contained in Federal or state statutes,

(G) items not in possession of the Trustee, the records to which are located or moved outside the State of Florida, and which are thereby not subject to or are removed from the operation of Florida law,

(H) the requirement that appropriate continuation statements be filed in accordance with the Uniform Commercial Code as from time to time in effect, and

(I) "Permitted Liens", as defined in the Loan Agreement.

Bankruptcy. Bankruptcy proceedings and equity principles may delay or otherwise adversely affect the enforcement of Bondholders' rights in the property granted as security for the Bonds. The Federal bankruptcy laws may have an adverse effect on the ability of the Trustee and the Bondholders to enforce their claim to the security granted by the Indenture, the Loan Agreement and the Red Apple Mortgages. Federal bankruptcy law permits adoption of a reorganization plan even though it has not been accepted by the holders of a majority in aggregate principal amount of the Bonds, if the Bondholders and other creditors are provided with the benefit of their original lien or the "indubitable equivalent." In addition, if the bankruptcy court concludes that the Bondholders have "adequate protection", it may (1) substitute other security subject to the lien of the Bondholders; and (2) subordinate the lien of the Bondholders (a) to claims by persons supplying goods and services to the Borrower after bankruptcy, and (b) to the administrative expenses of the bankruptcy proceeding. The activities of the Foundation are not limited to the Project. In the event of bankruptcy of the Foundation, one or more of the Leases might be terminated as an executory contract, and the amount realized by the Bondholders might depend on the bankruptcy court's interpretation of "indubitable equivalent" and "adequate protection" under the then existing circumstances. The bankruptcy court may also have the power to invalidate certain provisions of the Loan Agreement and/or the Leases that make bankruptcy and related proceedings by the Foundation an event of default thereunder. Each of the legal opinions delivered in connection with the issuance of the Series 2023 Bonds will be qualified as to the effect of bankruptcy laws on enforceability of documents herein described.

Limitations on Remedies. The practical realization of value from the Project upon any default will depend upon the exercise of various remedies specified by the Loan Agreement and the Red Apple Mortgages. These and other remedies may in many respects require judicial actions which are often subject to discretion and delay. Under existing law, the remedies specified by the Indenture, the Loan Agreement and the Red Apple Mortgages may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in those documents. The various legal opinions to be delivered concurrently with the issuance of the Series 2023 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, reorganization or other laws or equitable principles affecting the enforcement of creditors' rights generally.

Redemption. The Series 2023 Bonds are subject to optional, extraordinary and mandatory redemption prior to maturity upon the occurrence of a certain events as herein described. *See* "THE SERIES 2023 BONDS—Redemption Prior to Maturity" herein.

Risks of Real Estate Investment

General. Development, ownership and operation of real estate, such as the Project, involves certain risks, including the risk of adverse changes in general economic and local conditions, including population decreases; uninsured losses; operating deficits and mortgage foreclosure; lack of attractiveness of the property to students/parents; cyclical nature of the real estate market; adverse changes in neighborhood values; and adverse changes in zoning laws, other laws and regulations and real property tax rates (to the extent such taxes are applicable to the Project). Such losses also include the possibility of fire or other casualty or condemnation. If the Project, or any portion thereof, were not available during the period of restoration, this could adversely affect the ability of the Foundation to generate sufficient revenues to make payments under the Foundation Lease representing debt service on the Bonds. Changes in general or local economic conditions and changes in interest rates and the availability of mortgage funding may render the sale or refinancing of the Project difficult or unattractive.

No Current Appraisals. In 2006, certain portions of the Project were appraised. No information about such appraisals is included in this Limited Offering Memorandum and no updated appraisals of the Project have been conducted in connection with the issuance of the Series 2023 Bonds.

Damage, Destruction or Condemnation. Florida and the southeastern United States have experienced historic levels of property damage in recent years caused by severe adverse weather conditions. The Borrower is required under the Loan Agreement to cause the Schools to be insured by policies of casualty and property damage insurance and the amount of such insurance shall be not less than the full insurable value of the property, plant and equipment of the Borrower (and in no event less than the principal amount of the Bonds Outstanding from time to time). There is no assurance, however, that such amount will be adequate to repair and replace lost, damaged or destroyed property constituting part of the Schools, or that insurance will be available at commercially-reasonable rates in the near or long-term future, or that moneys made available by reason of any such occurrence will be sufficient to fully redeem all outstanding Bonds, including the Series 2023 Bonds, or replace such property.

If the Project, or any portion thereof, is damaged or destroyed, or is taken in a condemnation proceeding, the proceeds of insurance or any such condemnation award in excess of $100,000 for the Project, or any portion thereof, must be applied as provided in the Loan Agreement to restore or rebuild the Project or to redeem Series 2023 Bonds. There can be no assurance that the amount of revenues available to restore or rebuild the Project, or any portion thereof, or to redeem Series 2023 Bonds will be sufficient for that purpose, or that any remaining portion of the School's facilities and other Schools will generate revenues sufficient to pay the expenses of the Schools and to make payments under the Foundation Lease.

Environmental Risks. The Project and any other properties the Borrower, Red Apple or the Foundation may acquire and own are and will be subject to various federal, State and local laws and regulations governing health and the environment. In general, these laws and regulations could result in liability for remediating adverse environmental conditions on or relating to the Project or such other properties, whether arising from pre-existing conditions or conditions arising as a result of activities conducted in connection with the ownership of and operations at the Project or such other properties. Costs incurred with respect to environmental remediation or liability could adversely affect the Foundation's financial condition and the ability to generate revenues sufficient to make payments under the Foundation Lease. Excessive costs in connection with any such environmental remediation or any such liability to third parties could also make it difficult to successfully re-let the Project.

There are potential risks relating to liabilities for environmental hazards with respect to the ownership of any real property. If hazardous substances are found to be located on a property, owners of such property may be held liable for costs and other liabilities related to the removal of such substances, which costs and liabilities could exceed the value of the Project or any portion thereof. Environmental consultants hired by or on behalf of the Borrower, CSUSA or Red Apple Development have completed Environmental Site Assessments for each location of the Project. See APPENDIX A – "GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS – Environmental Reports" for specific details and recommendations related

to the Project. In the event environmental enforcement actions were initiated, the Borrower, the Foundation or Red Apple could be liable for the costs of removing or otherwise treating pollutants or contaminants located at the sites of the Project, or any portion thereof. In addition, under certain environmental statutes, in the event an enforcement action is initiated, a lien could be attached to the Project, or a portion thereof, that would adversely affect the Foundation's ability to generate revenues from the operation of the School located at that Project location sufficient to make payments under the Foundation Lease. In the event of a foreclosure, the Borrower, the Foundation or Red Apple may be held liable for costs and other liabilities relating to hazardous substances, if any, on the sites of the Project, or any portion thereof, on a strict-liability basis, and such costs might exceed the value of such property. In addition, the Indenture provides that the Trustee may request and obtain sufficient indemnity before proceeding with any foreclose action.

Hazard Risk; Insurance

Lee and Manatee Counties, Florida are located proximately to the Gulf of Mexico. The State has been impacted by increased hurricane activity since 1990. In the event of a hurricane in the vicinity of the Project, the operations of the Schools could be impacted severely, including by virtue of damage to the Project and delay in repairing, reconstructing or replacing them; delay in receiving insurance proceeds and Federal Emergency Management Administration payments; disruption of utilities and population and employment losses following hurricanes.

Because of significant hurricane activity in the State and the resulting instability in and contraction of the Florida voluntary insurance market, the Foundation may not be able to continue to obtain windstorm insurance for the Schools at commercially reasonable rates. Accordingly, in the event of windstorm casualty, the Foundation may not have sufficient funds to repair the Project and be able to make payments due under the Foundation Lease.

Climate Change

The State, and in particular the Gulf coast region where the Schools are located, is susceptible to the effects of extreme weather events and natural disasters, including floods, droughts, rain events and hurricanes, which could result in negative economic impacts on the Schools' campuses. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage the Schools, or the local infrastructure that provides essential services to the Schools. The economic impacts resulting from such extreme weather events could include a loss of property values, a decline in revenue base, and escalated recovery costs. [While none of the Schools' current campuses have experienced any flooding in the past five years or were damaged during the 2022 hurricane season, no assurances can be given that a future extreme weather event driven by climate change will not adversely affect the operations of the Foundation or the Schools at the Sites and the Facilities.] See " – Hazard Risk; Insurance" herein.

Campus Security

Schools are generally subject to risks related to campus security, including but not limited to bullying, abuse, and, in extreme cases, physical violence. While the Foundation believes that the Schools' campuses are secure, instances of breaches of campus security in the future may have a materially adverse effect on the Foundation's operations of the Schools and/or the Foundation's or the Schools' reputation, and may result in litigation, any of which could adversely affect the Foundation's financial condition and its ability to make payments under the Foundation Lease representing debt service on the Series 2023 Bonds.

Cyber Security

Each of the Borrower's, the Foundation's, CSUSA's and the Schools' information technology services and systems may be critical to operations or involve the storage, processing and transmission of sensitive data, including valuable intellectual property, other proprietary or confidential data, regulated data, and personal information of employees, students and others. Successful breaches, employee malfeasance, or human or technological error could result in, for example, unauthorized access to, disclosure, modification, misuse, loss, or destruction of the Borrower's, the Foundation's, CSUSA's, the School's or other third party data or systems; theft of sensitive,

regulated, or confidential data including personal information and intellectual property; the loss of access to critical data or systems; service or system disruptions; or denials of service.

Other Debt

Under certain circumstances, the Borrower and/or the Foundation may also incur additional indebtedness, including indebtedness on parity with the Series 2007 Bonds, the Series 2012 Bonds and the Series 2023 Bonds. *See* "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS - The Loan Agreement - Additional Indebtedness" herein. If the Borrower or the Foundation incurs additional indebtedness or the Issuer issues any Additional Bonds pursuant to the Indenture on a parity basis with the Series 2007 Bonds, the Series 2012 Bonds and the Series 2023 Bonds, the revenues of the Borrower and the Foundation available to pay for the Series 2007 Bonds, the Series 2012 Bonds and the Series 2023 Bonds are limited and may be inadequate to timely pay for and discharge the indebtedness with respect to the Series 2007 Bonds, the Series 2012 Bonds and the Series 2023 Bonds.

Secondary Market

THE SERIES 2023 BONDS MAY ONLY BE HELD BY AND TRANSFERRED IN AUTHORIZED DENOMINATIONS TO BENEFICIAL OWNERS WHO ARE (I) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR (II) AN "ACCREDITED INVESTOR" (AS DEFINED BY THE SECURITIES AND EXCHANGE COMMISSION IN RULE 501 OF REGULATION D.3.). THEREAFTER, NEITHER THE SERIES 2023 BONDS NOR ANY BENEFICIAL OWNERSHIP INTEREST THEREIN MAY BE TRANSFERRED BY THE BENEFICIAL OWNER THEREOF EXCEPT (A) IN AUTHORIZED DENOMINATIONS TO (B) A BENEFICIAL OWNER THAT IS A QUALIFIED INSTITUTIONAL BUYER OR AN ACCREDITED INVESOTR. EACH INITIAL PURCHASER, OR ITS REPRESENTATIVE ON ITS BEHALF, OF THE SERIES 2023 BONDS SHALL BE REQUIRED TO EXECUTE AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS APPENDIX I.

There is no guarantee that a secondary trading market will develop for the Series 2023 Bonds. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends, but is not obligated, to make a market in the Series 2023 Bonds. Consequently, prospective bond purchasers should be prepared to hold their Series 2023 Bonds to maturity or prior redemption.

Bond Audits

Internal Revenue Service ("IRS") officials have indicated that more resources will be invested in audits of tax-exempt bonds in the charitable organization sector. Consistent with the foregoing, a separate tax-exempt bond transaction not involving the Borrower or the Foundation but involving one or more schools managed by an affiliate of CSUSA has been selected by the IRS for examination. Such examination is ongoing and there can be no assurance of its resolution. The subject transaction shares certain structural characteristics with the Series 2023 Bond transaction. As such, to the extent such examination identifies any issues in connection therewith, such examination may increase the likelihood of an examination of the Series 2023 Bond transaction. The Series 2023A Bonds may be, from time to time, subject to audits by the IRS. The Borrower and the Foundation believe that the Series 2023A Bonds will properly comply with the tax laws. No ruling with respect to the tax-exempt status of the Series 2023A Bonds has been or will be sought from the IRS, however, and opinions of counsel are not binding on the IRS or the courts and are not guarantees. There can be no assurance that an audit of the Series 2007 Bonds, Series 2012 Bonds or Series 2023A Bonds will not adversely affect the tax status of the Series 2023A Bonds.

Loss of Tax-Exempt Status

The Foundation is a tax-exempt organization described in Section 501(c)(3) of the Code and is exempt from taxation under Section 501(a) of the Code, and the Borrower is treated as a "disregarded entity" for federal income tax purposes. As a tax-exempt, charitable organization, the Foundation and its operations are subject to various requirements specified by the Code and the regulations promulgated thereunder. The Foundation must comply with those requirements in order to maintain its tax-exempt status. The Foundation may be audited by the IRS. Although the Foundation represents that it believes it is in compliance with applicable tax laws, an IRS audit of the Foundation

ultimately could adversely affect its tax-exempt status. Loss of tax-exempt status by the Foundation, or loss of the Borrower's treatment for federal income tax purposes as a "disregarded entity", could result in loss of tax exemption for federal income tax purposes of interest on the Series 2007 Bonds, the Series 2012 Bonds and/or Series 2023A Bonds.

Legislation adopted by Congress in 1996 provides the IRS with an "intermediate" sanctions system of federal excise taxes to combat violations by tax-exempt organizations of the private inurement prohibition of the Code. Before the "intermediate sanctions law," the IRS could punish such violations only through revocation of an entity's tax-exempt status. Intermediate sanctions may be imposed where there is an "excess benefit transaction," defined to include a disqualified person (i.e., an insider) (i) engaging in a non-fair market value transaction with the tax-exempt organization, (ii) receiving unreasonable compensation from the tax-exempt organization, or (iii) receiving payment in an arrangement that violates the private inurement proscription. Intermediate sanctions may be imposed by the IRS either in lieu of or in addition to revocation of exemption. The legislation is potentially favorable to taxpayers in that it provides the IRS with a punitive option short of exemption revocation to deal with incidents of private inurement. However, the standards for tax exemption have not been changed and the IRS still has the authority to revoke tax-exempt status in appropriate circumstances.

Risks Related to Tax Reform

From time to time there are legislative proposals in the United States Congress and the State Legislature that, if enacted, could alter or amend the federal and State income tax matters with respect to the Series 2023A Bonds, adversely affect the market value or liquidity of the Series 2023A Bonds, impact the Borrower's income tax status or impact how the State funds public schools, including charter schools. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment or the status of tax exempt entities. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value or liquidity of the Series 2023A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular lawsuit will be resolved, or whether the Series 2023A Bonds or the market value or liquidity thereof would be impacted thereby. Purchasers of the Series 2023A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation.

Purchasers of the Series 2023A Bonds should be aware that future legislative actions (including federal income tax reform) may retroactively affect such investors' federal, state or local tax liability. In all such events, the market value of the Series 2023A Bonds may be impacted and the ability of holders to sell the Series 2023A Bonds in the secondary market may be reduced.

Failure to Provide Ongoing Disclosure

The Foundation and the Borrower will enter into a Continuing Disclosure Agreement with Digital Assurance Certification, LLC ("DAC"), as dissemination agent in connection with the issuance of the Series 2023 Bonds. Failure to comply with the Continuing Disclosure Agreement in the future may adversely affect the liquidity of the affected Series 2023 Bonds and their market price in the secondary market. See "CONTINUING DISCLOSURE" and "APPENDIX H – FORM OF CONTINUING DISCLOSURE UNDERTAKING."

In connection with the issuance of certain other bonds, the Borrower and/or the Foundation have entered into prior continuing disclosure agreements (the "Prior Undertakings"). For information regarding instances of noncompliance with the Prior Undertakings, see "CONTINUING DISCLOSURE" herein.

No Rating on the Series 2023 Bonds; Market for the Series 2023 Bonds

The Series 2023 Bonds are not rated by a Rating Agency. None of the Borrower, the Foundation or the Authority requested or applied for a rating on the Series 2023 Bonds from any Rating Agency. Typically, unrated bonds lack liquidity in the secondary market. Because of the lack of credit rating, Bondholders may not be able to sell their Series 2023 Bonds in the secondary market and should therefore plan to hold the Series 2023 Bonds to

maturity.

Compliance with Securities Laws

The Series 2023 Bonds may be sold by Bondholders only in compliance with the registration provisions, or certain exemptions therefrom, of the Securities Act and applicable state securities acts (which may be prohibitively expensive if registration is required and may not be possible in any event). In some states, specific conditions must be met or approval of a state securities commission is required in order to qualify for an exemption from registration.

Other Risks

Significant Contracts. Each Manager has executed a Management Agreement with respect to a School, pursuant to which the Manager will be primarily responsible for the organization, planning and implementation of all operational activities of such School. As such, any prospective investor should carefully evaluate the ability of each Manager and its sole member, CSUSA, to perform its obligations under its Management Agreement. *See* "APPENDIX D - GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC."

Teacher Shortage. The State has faced in the past, and may face in the future, a teacher shortage. If a shortage materializes in future years, CSUSA may have to pay increased salaries or incur increased costs in recruiting new teachers. Teacher salaries and benefits are significant operating expenses for the Schools and increases in such expenses may decrease the amount of revenues of the Foundation available to pay amounts due under the Foundation Lease in respect of debt service on the Bonds.

Miscellaneous. The occurrence of any of the following events, or other unanticipated events, could adversely affect the operations of the Foundation and the Project:

1. Reinstatement of or establishment of mandatory governmental wage, rent or price controls.

2. Adoption of other federal, state or local legislation or regulations having an adverse effect on the future operating or financial performance of the Foundation or the Managers.

3. The occurrence of any natural disasters or other disruptions that impact the operations of the Schools.

4. Inability to control increases in operating costs, including salaries, wages and fringe benefits, supplies and other expenses, given an inability to obtain corresponding increases in State Payments.

Conclusion; Limited Offering

INVESTMENT IN THE SERIES 2023 BONDS INVOLVES A HIGH DEGREE OF RISK AND EACH PROSPECTIVE INVESTOR SHOULD CONSIDER ITS FINANCIAL CONDITION AND THE RISKS INVOLVED TO DETERMINE THE SUITABILITY OF INVESTING IN THE SERIES 2023 BONDS. THE SERIES 2023 BONDS ARE BEING OFFERED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND (2) AN INSTITUTIONAL "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a)(1),(2),(3) OR (7) OF THE SECURITIES ACT. EACH INITIAL PURCHASER, OR ITS REPRESENTATIVE ON ITS BEHALF, OF THE SERIES 2023 BONDS SHALL BE REQUIRED TO EXECUTE AN INVESTOR LETTER SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS APPENDIX I ATTACHED HERETO. Each prospective investor should carefully examine this Limited Offering Memorandum, and the Appendices hereto, and such investor's own financial condition in order to make a judgment as to whether the Series 2023 Bonds are an appropriate investment for such investor.

THE SERIES 2023 BONDS

Description of Series 2023 Bonds

The Series 2023 Bonds are issued as fully registered bonds, without coupons, in denomination of $100,000 or any integral multiple of $5,000 in excess thereof. The Series 2023 Bonds bear interest at the rates, and mature in the amounts and on the dates, as set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Series 2023 Bonds is payable semiannually on June 15 and December 15 of each year, with the first interest payment due December 15, 2023*. The principal of and premium, if any, on any Series 2023 Bonds (other than regularly scheduled sinking fund installments of principal) will be payable at the principal corporate trust office of the Trustee. The payment of the interest on each Series 2023 Bond and regularly scheduled sinking fund installments of principal will be made by check or draft of the Trustee, mailed to the registered holder thereof.

The Series 2023 Bonds initially will be issued in fully registered form and will be registered in the name of Cede & Co., as the Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will represent to the Issuer that it will maintain a book-entry system for recording ownership interests of its participants (the "DTC Participants") and that the ownership interest of a purchaser of a beneficial interest in the Series 2023 Bonds (a "Beneficial Owner") will be recorded through book entries on the records of the DTC Participants. Beneficial Owners will not receive any certificates representing their interest in the Series 2023 Bonds, except as described herein.

Redemption Prior to Maturity

Optional Redemption*

Series 2023A Bonds. The Series 2023A Bonds shall be subject to redemption prior to maturity, in whole or in part, on June 15, 20__, and on any date thereafter, at the redemption price equal to 100% of the principal amount so redeemed, plus accrued interest to the redemption date.

Series 2023B Bonds. The Series 2023B Bonds will not be subject to option redemption prior to maturity.

Extraordinary Mandatory Redemption. The Bonds, including the Series 2023 Bonds, shall be subject to mandatory redemption on any day at a redemption price equal to the principal amount thereof redeemed plus accrued interest to the redemption date:

(a) from and to the extent of Net Proceeds in excess of $100,000 in the event of damage to or destruction of the Project or in the event of condemnation of the Project or any part thereof, unless within 60 days of the damage or destruction or condemnation, as the case may be, the Borrower shall furnish to the Trustee the items required by the Indenture to demonstrate the feasibility of restoring the Project, such redemption to take place within 120 days of such event;

(b) from and to the extent of excess Net Proceeds in excess of $1,000,000, such redemption to take place within 60 days after it is determined that there are excess funds;

(c) from and to the extent of moneys made available as a result of release of lands or granting of easements pursuant to the Indenture, such redemption to take place as soon as practicable after notice of redemption can be given pursuant to the terms of the Indenture; and

(d) from proceeds of the Series 2023 Bonds remaining in the Project Fund on the earlier of (i) the date the Borrower provides written notice to the Trustee that it will not make any further requisitions from the Project Fund or (ii) [DATE].

Extraordinary Optional Redemption. The Bonds, including the Series 2023 Bonds, may, at the written direction of the Borrower, be called in part for redemption at a redemption price equal to 100% of the principal amount thereof redeemed plus accrued interest to the date set for redemption at any time, in the event any Charter is terminated or not renewed.

* Preliminary, subject to change.

Mandatory Sinking Fund Redemption*

(a) The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on _____, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount	Payment Date	Principal Amount
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__+	

+Final maturity

(b) The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on _____, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount	Payment Date	Principal Amount
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__+	

+Final maturity

(c) The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on _____, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

* Preliminary, subject to change.

Payment Date	Principal Amount	Payment Date	Principal Amount
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__	
December 15, 20__		December 15, 20__	
June 15, 20__		June 15, 20__[+]	

[+]Final maturity

(d) The Series 2023B Bonds are subject to mandatory sinking fund redemption in part by lot, on _____, and on each June 15 and December 15 thereafter until and including June 15, 20___, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount	Payment Date	Principal Amount
December 15, 20__		June 15, 20__	
June 15, 20__		December 15, 20__	
December 15, 20__		June 15, 20__	
June 15, 20__		December 15, 20__	
December 15, 20__		June 15, 20__	
June 15, 20__		December 15, 20__	
December 15, 20__		June 15, 20__[+]	

_____

[+]Final maturity

(e) Additional Bonds shall be subject to mandatory sinking fund redemption to the extent and in the manner set forth in the Supplemental Indenture authorizing such Additional Bonds.

(f) Not more than 45 days nor less than 30 days prior to a sinking fund payment date for the Bonds, the Trustee shall proceed to select for redemption (by lot in such manner as the Trustee may determine) from all Bonds of each series and maturity Outstanding which are subject to sinking fund redemption on such date a principal amount of such Bonds equal to the aggregate principal amount of Bonds redeemable with the required sinking fund payment, and shall call such Bonds of such series and maturity for redemption from the particular sinking fund on the next June 15 or December 15, as appropriate, and give notice of such call.

At the option of the Borrower Representative (so long as no Event of Default has occurred and is continuing) to be exercised by delivery of a written certificate to the Trustee not less than 45 days next preceding any sinking fund redemption date, it may (1) deliver to the Trustee for cancellation Bonds which are subject to sinking fund redemption on such date in an aggregate principal amount designated by the Borrower, or (2) specify a principal amount of such Bonds of each series and maturity which prior to said date have been redeemed (otherwise than through the operation of such sinking fund) and canceled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation for such Bonds. Each Bond so delivered or previously redeemed shall be credited by the Trustee at 100% of the principal amount thereof against the obligation of the Borrower on such sinking fund redemption date, and any excess shall be so credited against future sinking fund redemption obligations for Bonds proportionately to all remaining sinking fund payments. In the event the Borrower shall avail itself of the provisions of clause (1) of the first sentence of this paragraph the certificate required by the first sentence of this paragraph shall be accompanied by the Bonds to be canceled.

Notwithstanding any provision of this Indenture to the contrary, no additional notice shall be required with respect to mandatory sinking fund redemption unless requested by the holders of 100% of the principal amount of the Bonds, and Bonds need not be presented for mandatory sinking fund redemption payment.

Mandatory Redemption Upon Determination of Taxability. The Series 2023A Bonds are subject to mandatory redemption and payment prior to the stated maturity thereof in whole (or in part as described below), at a redemption price equal to one hundred five percent (105%) of the principal amount thereof, plus accrued interest to the redemption date, on any day within one hundred twenty (120) days after the occurrence of a Determination of Taxability. A "Determination of Taxability" shall be deemed to have occurred if a final decree or judgment of any federal court or a final action of the Internal Revenue Service is taken which determines that interest paid or payable on any Series 2023A Bond is or was includable in the gross income of any bond owner, beneficial owner, former bond owner or former beneficial owner for federal income tax purposes under the Code. No such decree, judgment or action will be considered final for this purpose, however, unless the Borrower has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any bond owner, beneficial owner, former bond owner or former beneficial owner of a Series 2023A Bond and until the expiration of any period to request appellate review, if no appellate review is sought, or until conclusion of any appellate review, if appellate review is sought.

If an Opinion of Bond Counsel is delivered to the Trustee stating that the redemption of fewer than all of the Series 2023A Bonds would result in the interest on the Series 2023A Bonds outstanding following such redemption not being includable in the gross income for federal income tax purposes of the holders of such Series 2023A Bonds Outstanding, then fewer than all of the Series 2023A Bonds may be redeemed in the amount specified in such opinion, provided that such redemption must be in authorized denominations. If fewer than all Series 2023A Bonds are redeemed, the Trustee shall select the Series 2023A Bonds to be redeemed by lot or by such other method acceptable to the Trustee as may be approved in an Opinion of Bond Counsel.

Selection of Bonds to be Redeemed. Except as set forth above under "Extraordinary Mandatory Redemption" and "Mandatory Redemption Upon Determination of Taxability," if less than all of the Series 2023 Bonds of a series and maturity shall be redeemed, the Series 2023 Bonds or such series and maturity to be redeemed shall be selected by lot in such manner as the Trustee shall determine. In case a Series 2023 Bond is of a denomination larger than the $100,000, a portion of such Series 2023 Bond may be redeemed, but the unredeemed portion of such Series 2023 Bond, to the extent possible, shall not be less than $100,000.

Notice of Redemption; Cessation of Interest. In the event any of the Series 2023 Bonds are called for redemption, the Trustee will cause notice of the call for redemption to be given not less than 30 days prior to the redemption date by mailing a copy of the notice by first class mail to the registered owners of the Series 2023 Bonds to be redeemed, at their addresses shown on the registration books; provided, however, that failure to give such notice, or any defect in the notice, will not affect the validity of any proceedings for the redemption of such Series 2023 Bonds for which no such failure or defect occurs. All Series 2023 Bonds called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time, and will no longer be deemed to be outstanding under the provisions of the Indenture.

Notice of any redemption hereunder with respect to Series 2023 Bonds held under a book entry system shall be given by the Registrar only to DTC, or its nominee, as the Holder of such Series 2023 Bonds. Notwithstanding any provisions in the Indenture related to the selection of Bonds for redemption, selection of book entry interests in the Series 2023 Bonds called for redemption, and notice of call to the owners of those interests called, is the responsibility of DTC, the Direct Participant and the Indirect Participant and any failure of DTC to advise any Direct Participant and any failure of a Direct Participant or any Indirect Participant to notify the Beneficial Owner of any such notice and its contents or effect will not affect the validity of such notice of any proceedings for the redemption of such Series 2023 Bonds.

Limited Obligations

The Series 2023 Bonds are special, limited obligations of the Issuer, payable from and secured solely by a pledge of the payments to be derived by the Issuer pursuant to the Loan Agreement and by the Trustee pursuant to the Indenture. All of the Issuer's rights, title and interest in the payments under the Loan Agreement (other than

certain rights of indemnification, payments of expenses and taxes, rights to perform certain discretionary acts and rights to receive notices) are assigned to the Trustee to be applied to the punctual payment of the principal of, interest on and any premium in connection with the payment or redemption of the Series 2023 Bonds.

THE SERIES 2023 BONDS SHALL NOT CONSTITUTE OR BECOME A GENERAL INDEBTEDNESS, A DEBT OR A LIABILITY OF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA BUT SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER TO THE LIMITED EXTENT OF THE REVENUES AND OTHER COLLATERAL PLEDGED IN THE INDENTURE, THE LOAN AGREEMENT AND THE RED APPLE MORTGAGES, AND NEITHER THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA, EXCEPT THE ISSUER TO THE EXTENT PROVIDED ABOVE, SHALL BE LIABLE THEREON; NOR SHALL THE SERIES 2023 BONDS CONSTITUTE THE GIVING, PLEDGING, OR LOANING OF THE FAITH AND CREDIT OF THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES AND OTHER COLLATERAL PLEDGED THEREFOR UNDER THE INDENTURE, THE LOAN AGREEMENT AND THE RED APPLE MORTGAGES. THE SERIES 2023 BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE MEMBERS OF THE ISSUER NOR ANY PERSON EXECUTING THE SERIES 2023 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2023 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF. THE ISSUER HAS NO TAXING POWER.

Book-Entry Only System

The following description of the procedures and recordkeeping with respect to beneficial ownership interest in the Series 2023 Bonds, payment of principal, interest and other payments on the Series 2023 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owner is based solely on information provided by DTC. Accordingly, no representations can be made by the Issuer, the Trustee, the Borrower, the Foundation, Red Apple Development, Red Apple, CSUSA, the Manager, or the Underwriter concerning these matters, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The information herein concerning DTC and DTC's book-entry system has been obtained from sources believed to be reliable, but the Issuer, the Trustee, the Borrower, Red Apple Development, Red Apple, CSUSA, the Manager and the Underwriter take no responsibility for the accuracy thereof, and neither Participants nor Beneficial Owners should rely on the foregoing information with respect to such matters. Instead, they should confirm the same with DTC or the Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company ("DTC") will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate in typewritten form will be issued for each stated maturity of each series and subseries of the Series 2023 Bonds, each in the aggregate principal amount of such maturity, series, and subseries, and will be deposited with DTC. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2023 BONDS, REFERENCES HEREIN TO BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2023 BONDS (OTHER THAN UNDER THE CAPTION "TAX MATTERS" HEREIN) SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2023 BONDS.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at *www.dtcc.com*.

Purchases of the Series 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2023 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2023 Bonds of a series, subseries, or maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of the principal, premium, if any, of and interest on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is

to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal, premium, if any, of and interest on the Series 2023 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2023 Bonds at any time by providing reasonable notice to the Issuer. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository); in that event, the Bond certificates will be printed and delivered to DTC.

NONE OF THE ISSUER, THE BORROWER, THE FOUNDATION, THE TRUSTEE OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (a) THE SERIES 2023 BONDS; (b) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (c) THE TIMELY OR ULTIMATE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2023 BONDS; (d) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO REGISTERED OWNERS; (e) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2023 BONDS; OR (f) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

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ESTIMATED SOURCES AND USES OF FUNDS*

The following table sets forth anticipated sources and uses of funds with respect to the Series 2023 Bonds.

Estimated Sources and Uses of Funds

Sources

	Series 2023A Bonds	Series 2023B Bonds	Total
Par Amount of Series 2023 Bonds			
[Plus/Less Original Issue Premium/Discount]			
Total Sources			

Uses

	Series 2023A Bonds	Series 2023B Bonds	Total
Project Costs			
Capitalized Interest			
Debt Service Reserve Fund			
Cost of Issuance Including Underwriter's Discount			
Total Uses			

PLAN OF FINANCE

The Borrower will use the proceeds of the Series 2023 Bonds to (i) finance or refinance the costs of constructing and equipping additional improvements to certain of the Facilities as described in more detail below, (ii) make deposits to the Series 2023 Subaccounts of the Debt Service Reserve Fund, and (iii) pay certain costs of issuance.

On the Closing Date, the Borrower will use a portion of the proceeds of the Series 2023 Bonds to refinance the recent expansion to the Gateway Charter High School including a two-story [building/addition] that will house an additional 300 students and will add approximately 20,400 square feet to the Gateway Charter High School Facilities. The Construction Project started in February 2023 and was completed on October [__], 2023, with a total cost of approximately $[10,000,000]. The Borrower will also use a portion of the proceeds of the Series 2023 Bonds to finance a new roof for Gateway Charter High School, a new roof, playground canopy and dismissal area canopy for Gateway Charter Elementary School, and new artificial turf installed at Mid Cape Global Academy (collectively, the "Construction Project"). The additional construction projects for each campus are expected to be completed by [_____], 2023, with a total cost of approximately $[_____]. See Appendix A – "GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS – The Construction Project" for additional information regarding the Construction Project.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS

Limited Obligation

The Series 2023 Bonds are special, limited obligations of the Issuer, payable from and secured solely by a pledge of the payments to be derived by the Issuer pursuant to the Loan Agreement and by the Trustee pursuant to the Indenture. All of the Issuer's rights, title and interest in the payments under the Loan Agreement (other than certain rights of indemnification, payments of expenses and taxes, rights to perform certain discretionary acts and rights to receive notices) are assigned to the Trustee to be applied to the punctual payment of the principal of, interest on and any premium in connection with the payment or redemption of the Series 2023 Bonds.

* Preliminary, subject to change.

THE SERIES 2023 BONDS SHALL NOT CONSTITUTE OR BECOME A GENERAL INDEBTEDNESS, A DEBT OR A LIABILITY OF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA BUT SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE ISSUER TO THE LIMITED EXTENT OF THE REVENUES AND OTHER COLLATERAL PLEDGED IN THE INDENTURE, THE LOAN AGREEMENT AND THE RED APPLE MORTGAGES, AND NEITHER THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA, EXCEPT THE ISSUER TO THE EXTENT PROVIDED ABOVE, SHALL BE LIABLE THEREON; NOR SHALL THE SERIES 2023 BONDS CONSTITUTE THE GIVING, PLEDGING, OR LOANING OF THE FAITH AND CREDIT OF THE SCHOOL BOARDS, THE STATE OF FLORIDA, OR ANY SUBDIVISION OF THE STATE OF FLORIDA OR OF ANY OTHER POLITICAL SUBDIVISION OR BODY CORPORATE AND POLITIC WITHIN THE STATE OF FLORIDA, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES AND OTHER COLLATERAL PLEDGED THEREFOR UNDER THE INDENTURE, THE LOAN AGREEMENT AND THE RED APPLE MORTGAGES. THE SERIES 2023 BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE MEMBERS OF THE ISSUER NOR ANY PERSON EXECUTING THE SERIES 2023 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2023 BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF. THE ISSUER HAS NO TAXING POWER.

The Indenture

Trust Estate. Under the Indenture, the following are pledged to the Trustee as security for the Bonds (collectively, the "Trust Estate"):

(i) the Loan Agreement, including the rights of the Issuer under and pursuant to the Loan Agreement (other than certain reserved and unassigned rights of the Issuer under the Loan Agreement, and other than the rights of the Issuer to perform certain discretionary acts as reserved in the Loan Agreement and to receive notices) and the rights, title and interests granted, pledged, bargained, sold, conveyed and mortgaged by the Borrower therein, including the Project and the Pledged Revenues;

(ii) all Funds (except the Rebate Fund) established under the Indenture, except for monies deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given, and all Pledged Revenues payable to the Trustee by or for the account of the Issuer pursuant to the Loan Agreement and the Indenture or by or for the account of the Borrower pursuant to the terms of the Leases, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture;

(iii) and any and all other interests in real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind specifically mortgaged, pledged or hypothecated, as and for additional security under the Indenture by the Issuer or by anyone in its behalf or with its written consent in favor of the Trustee, which is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof; and

(iv) the Red Apple Mortgages.

Trust Funds. The Trust Funds established under the Indenture include the Debt Service Reserve Fund (but, with respect to a particular series of Bonds, only the amounts deposited therein securing such series of Bonds), as well as the following:

Revenue Fund. There shall be deposited into the Revenue Fund, in satisfaction of its obligations arising under the Leases and in satisfaction of all or some of the Borrower's obligations under the Loan Agreement, all Charter Revenues, Additional Revenue and all other amounts payable by the Foundation under the Leases.

Bond Principal Fund and Bond Interest Fund. There shall be deposited into the Bond Interest Fund all accrued interest, if any. In addition, there shall be deposited into the Bond Principal Fund or the Bond Interest Fund, as appropriate, and as and when received (a) all moneys transferred to the Bond Interest Fund and the Bond Principal Fund from the Revenue Fund pursuant to the Indenture, (b) all moneys transferred to the Bond Interest Fund and the Bond Principal Fund from the Project Fund pursuant to the Indenture, (c) all moneys transferred to the Bond Interest Fund and the Bond Principal Fund from the Debt Service Reserve Fund pursuant to the Indenture, (d) all other moneys required or permitted to be deposited into the Bond Principal Fund or Bond Interest Fund pursuant to the Loan Agreement or the Indenture, including any supplements to the Indenture, and (e) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Loan Agreement or the Indenture that such moneys are to be paid into the Bond Principal Fund or Bond Interest Fund. There shall also be retained in the Bond Principal Fund and Bond Interest Fund, interest and other income received on investment of moneys in the Bond Principal Fund and Bond Interest Fund to the extent provided in the Indenture.

Except as provided in the Indenture, monies in the Bond Principal Fund shall be used solely for the payment of the principal of and premium, if any, on the Bonds, and monies in the Bond Interest Fund shall be used solely for the payment of the interest on the Bonds. Monies in the Series 2023A Accounts of the Bond Principal Fund and the Bond Interest Fund shall be used solely for the payment of principal of and interest on the Series 2023A Bonds and monies in the Series 2023B Accounts of the Bond Principal Fund and the Bond Interest Fund, shall be used solely for the payment of principal of and interest on the Series 2023B Bonds. Additional Accounts shall be established for each series of Additional Bonds. Whenever the total amount in the corresponding Accounts of the Bond Principal Fund, the Bond Interest Fund, and the Debt Service Reserve Fund is sufficient to redeem all of the Bonds Outstanding payable from such Accounts, and to pay interest to accrue thereon prior to such redemption, and redemption premium, if any, the Issuer, subject to the requirements of the Loan Agreement, covenants to take and cause to be taken the necessary steps to redeem all of such Bonds on the redemption date for which the required redemption notice has been given.

Repair and Replacement Reserve Fund. There shall be deposited into the Repair and Replacement Reserve Fund (i) all moneys required or permitted to be deposited into the Repair and Replacement Reserve Fund pursuant to the Loan Agreement and the Indenture, and (ii) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Loan Agreement or the Indenture that such moneys are to be paid into the Repair and Replacement Reserve Fund. Moneys on deposit in the Repair and Replacement Reserve Fund shall be used to pay the cost of items properly chargeable to the capital account of the Borrower under generally accepted accounting principles for the repair or replacement of real or personal property constituting a part of the Project under generally accepted accounting principles. Amounts on deposit in the Repair and Replacement Reserve Fund may not be used for capital costs of new construction or new property which is neither a renewal nor a replacement of the Project except with the written consent of the Beneficial Owners of a majority of the principal amount of Outstanding Bonds. Moneys in the Repair and Replacement Reserve Fund shall be disbursed by the Trustee upon receipt of a certificate of a Representative of the Borrower requesting funds from the Repair and Replacement Reserve Fund, describing the intended use of such funds by item and amount, and attesting that the requested amount will be used only for such purposes. The Trustee is authorized and directed to issue its checks on the Repair and Replacement Reserve Fund for each payment pursuant to the Loan Agreement. Amounts on deposit in the Repair and Replacement Reserve Fund in excess of the Repair and Replacement Reserve Fund Requirement shall be transferred to the Revenue Fund.

Upon the occurrence of an Event of Default under the Indenture and the exercise by the Trustee of the remedies specified in the Loan Agreement and the Indenture, any moneys in the Repair and Replacement Reserve Fund shall be transferred by the Trustee to the Bond Interest Fund and, with respect to any moneys in excess of the amount required to pay interest on the Bonds, to the Bond Principal Fund. In the event of a prepayment of the Loan in full pursuant to the Loan Agreement, any moneys in the Repair and Replacement Reserve Fund shall be transferred to the Bond Principal Fund and shall be applied to the payment of the principal of and premium, if any, on the Bonds. As of [October 1, 2023], the balance in the Repair and Replacement Reserve Fund was $[_____].

[Forbearance Agreement. On November 1, 2010, beneficial owners of a majority in aggregate principal amount of the Series 2007 Bonds entered into a Forbearance Agreement with the Borrower, which was acknowledged by the Foundation (the "Forbearance Agreement"). Pursuant to the terms of the Forbearance Agreement, the Borrower covenants and agrees, and represents and warrants to the Series 2007 Bondholders that

during the term of the Loan Agreement (the "Forbearance Period"), on a biennial basis as hereinafter described, the Borrower shall cause to be delivered to the Trustee, at the Borrower's sole cost and expense, an engineering audit (an "Engineering Audit") prepared by a qualified engineering consulting firm (the "Engineering Consultant") reasonably acceptable to the Trustee. The first such Engineering Audit was delivered to the Trustee by the Borrower on or before December 31, 2010, and subsequent Engineering Audits are required to be delivered to the Trustee every two years thereafter, on or before December 31st of the applicable year. Each such report shall, at a minimum, contain the scope of work set forth in the Forbearance Agreement and such other components as the Trustee may from time to time reasonably require, and shall set forth the level to which the Engineering Consultant recommends the Repair and Replacement Reserve Fund be funded (the "Recommended Requirement"). In the event that amounts available in the Repair and Replacement Reserve Fund on December 31st of each year in which an Engineering Audit is required to be delivered are less than the Recommended Requirement set forth in the applicable Engineering Audit, then in lieu of the deposits required to be made as described herein in paragraph (e) under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS – The Indenture – Deposit of Lease Payments in Revenue Fund" (the "Indenture Funding Provisions"), the Trustee shall make equal monthly deposits to the Repair and Replacement Fund on the last day of each calendar month for the next six months sufficient to fund the Repair and Replacement Reserve Account to the Recommended Requirement by the next succeeding July 1st.

Provisions substantially identical to those described above are also included in the Supplemental Indenture with respect to the Series 2023 Bonds, and will apply so long as the Series 2023 Bonds are Outstanding.

[Alcala Construction Management, Inc. was hired by the Borrower to perform the initial Engineering Audit in December 2010, and reports were issued as of December 23, 2010. Such Engineering Audit determined that there were some capital maintenance/repair items needed on the properties comprising the 2007 Project, and these items were detailed in a schedule that identified "critical", "important" and "needed". The Engineering Audit also concluded that the Repair and Replacement Reserve Fund was sufficiently funded at the time, and that no further funds were needed.][Updates – Take out?]

As of [October 1, 2023], the balance in the Repair and Replacement Reserve Fund was $[_____].

The Forbearance Period shall automatically terminate, without the need for notice to the Borrower or any other action by the Trustee or the Bondholders, upon the occurrence of any one of the following (each of which shall be a "Forbearance Termination Event"):

(1) The occurrence of any Default or Event of Default, or any event which with the passage of time or giving of notice or both would constitute a Default or Event of Default under the Indenture, the Loan Agreement, the Assignment, the Lease or the Red Apple Mortgages (collectively, the "Bond Documents");

(2) Failure by the Borrower to deliver any Engineering Audit, or to cause the Replacement and Repair Reserve Fund to be funded, in each case as and to the extent required by the paragraph above;

(3) Failure by the Borrower to comply with any other provision, covenant or agreement of the Forbearance Agreement and such failure shall continue for a period of fifteen (15) days after notice thereof to the Borrower;

(4) If any of the representations or warranties made under the Forbearance Agreement by or on behalf of the Borrower (including the Recitals thereto) shall not have been true, accurate or complete in any material respect when made; or

(5) If the Borrower asserts the existence of any defense, set-off, reduction, claim or counterclaim, whether at law or in equity, with respect to the indebtedness or other obligations evidenced and/or secured by any of the Bond Documents.

The occurrence of a Forbearance Termination Event shall constitute an immediate Event of Default under the Indenture and the Loan Agreement. In such event, the forbearance provided for above shall immediately and

automatically terminate without any notice to the Borrower, and the Trustee shall have available to it all remedies available to it under this Forbearance Agreement or any of the Bond Documents, including without limitation acceleration of the Bonds or foreclosure under the Loan Agreement and the Red Apple Mortgages.

Notwithstanding any provision of the Bond Documents to the contrary, during the Forbearance Period, the Trustee shall fund the Repair and Replacement Reserve Fund in accordance with the Forbearance Agreement as described above, rather than as specified in the Indenture Funding Provisions. Upon the occurrence of a Forbearance Termination Event, the requirements of the Indenture Funding Provisions shall again apply.

During the Forbearance Period, the Trustee shall forbear from the exercise of remedies under the Bond Documents arising by reason of the failure of the Repair and Replacement Reserve Fund to be funded to the Repair and Replacement Reserve Fund Requirement set forth in the Indenture Funding Provisions. The foregoing is in no way intended to limit any rights or remedies the Trustee may have with respect to any other "Default" or "Event of Default" hereafter arising. Upon the termination of the Forbearance Period, all forbearances, deferrals and indulgences granted by the Trustee shall automatically terminate.][Updates]

Project Fund. Proceeds of the sale of the Series 2023 Bonds deposited in the Project Fund shall be applied to pay costs of the acquisition, improvement, equipping and operation of the 2023 Project and all other necessary and incidental expenses in connection with the foregoing. Any moneys remaining in the Series 2023A or Series 2023B Accounts of the Project Fund on the earlier of (i) the date the Borrower provides written notice to the Trustee that they will not make any further requisitions from the Project Fund or (ii) June 15, 2025, shall (a) be transferred to the Bond Principal Fund and used to redeem the Series 2023 Bonds on the next succeeding Interest Payment Date on which the Series 2023 Bonds shall be subject to redemption if such amount exceeds $100,000, or (b) be transferred to the corresponding Account of the Bond Interest Fund if less than $100,000.

Cost of Issuance Fund. The Borrower shall deposit to the Cost of Issuance Fund from proceeds of the Series 2023 Bonds an amount sufficient to pay all costs incurred in connection with the authorization, issuance and sale of the Series 2023 Bonds, to the extent the same are approved by the Borrower. If any funds remain in the Cost of Issuance Fund on the earlier of the receipt by the Trustee of a certificate of the Borrower stating that all of the costs of issuance have been paid or six (6) months from the date of issuance and delivery of the respective series of Series 2023 Bonds, the Trustee shall transfer any funds remaining in the Cost of Issuance Fund to the Project Fund and close the Cost of Issuance Fund.

Operating Expense Fund. There shall be deposited into the Operating Expense Fund (i) all moneys required or permitted to be deposited into the Operating Expense Fund pursuant to the Loan Agreement and the Indenture, and (ii) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Loan Agreement or the Indenture that such moneys are to be paid into the Operating Expense Fund. Moneys in the Operating Expense Fund shall be used for the payment of ordinary and necessary Operating Expenses (other than payments to the Managers under the Management Agreements). The Trustee is authorized and directed to issue its checks on the Operating Expense Fund as directed by the Borrower, including transfers to an account of the Borrower to be applied to payment of Operating Expenses in accordance with the Loan Agreement, in an aggregate amount each month not exceeding the amount shown for Operating Expenses in the Annual Budget provided by the Borrower pursuant to the Loan Agreement plus such other Operating Expenses as are specifically authorized in the Loan Agreement.

Upon the occurrence of an Event of Default under the Indenture and the exercise by the Trustee of the remedies specified in the Loan Agreement and the Indenture, any moneys in the Operating Expense Fund shall be transferred by the Trustee to the Bond Interest Fund and, with respect to any moneys in excess of the amount required to pay interest on the Bonds, to the Bond Principal Fund. In the event of a prepayment of the Loan in full pursuant to the Loan Agreement, any moneys in the Operating Expense Fund may be transferred to the Bond Principal Fund and shall be applied to the payment of the principal of and premium, if any, on the Bonds.

Rebate Fund. The Indenture also establishes a Rebate Fund. Such Rebate Fund shall be held with the Trustee for the benefit of the United States of America in the name of the Issuer and shall be expended in accordance with the provisions of the Indenture and the Tax Certificates. The Borrower shall be responsible for

making all such deposits to the Rebate Fund as required in the Tax Certificates and Section 5.1 of the Original Loan Agreement. The Trustee shall invest the Rebate Fund at the written direction (or by oral instruction promptly confirmed in writing) of the Borrower Representative but solely in Government Obligations and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund. For purposes of determining rebate calculations that may be required with respect thereto pursuant to the Tax Certificates, the Borrower may employ, at its own expense, a Rebate Analyst. The Tax Certificates may be superseded or amended by a certificate of the Borrower, accompanied by an Opinion of Bond Counsel addressed to the Borrower and the Trustee to the effect that the use of said new certificate will not adversely affect the exclusion of interest on the Series 2023A Bonds from gross income of the recipients thereof for purposes of federal income taxation.

The Trustee shall make the rebate deposit described in the Tax Certificates based upon the written instructions of the Borrower Representative. If a withdrawal from the Rebate Fund is permitted as a result of such computation because no rebate payments are required to be made, the amount withdrawn shall be deposited in the Bond Principal Fund. Record of the determinations required by this paragraph must be retained by the Borrower Representative and the Trustee until six years after the final retirement of the Series 2023A Bonds.

If the monies on deposit in the Rebate Fund are insufficient for the purposes thereof, the Trustee shall transfer monies to the Rebate Fund from the following Funds in the following order of priority: the Repair and Replacement Reserve Fund, the Project Fund, the Debt Service Reserve Fund, the Bond Principal Fund and the Bond Interest Fund.

Not later than 60 days after the last day of the fifth Bond Year, as defined in the Tax Certificates, and every five years thereafter, the Trustee shall pay to the United States 90% of the amount, at the written direction of the Rebate Analyst, on deposit in the Rebate Fund as of such payment date. No later than 60 days after the final retirement of the Series 2023A Bonds and any tax-exempt Additional Bonds, the Trustee shall pay to the United States 100% of the balance remaining in the Rebate Fund (or such lesser amount as shall be due and owing to the United States). Nothing herein shall relieve the Borrower of its obligation to pay the rebate amount in accordance with the Original Loan Agreement. Each payment required to be paid to the United States pursuant to the Indenture shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201-0027. Each payment shall be accompanied by a copy of the Internal Revenue Form 8038 originally filed with respect to the Bonds, Internal Revenue Form 8038-T and, if necessary, a statement summarizing the determination of the amount to be paid to the United States.

Deposit of Lease Payments in Revenue Fund. The Borrower's and the Foundation's rights under the Foundation Lease shall be assigned to the Trustee as collateral for the obligations of the Borrower under the Loan Agreement. The Indenture provides that the Foundation shall deliver directly to the Trustee for deposit into the Revenue Fund created under the Indenture and held by the Trustee an amount equal to all Charter Revenues, Additional Revenue and all other amounts payable by the Foundation under the Leases.

Amounts deposited by the Foundation with the Trustee (and any investment income transferred to the Revenue Fund) shall be applied by the Trustee on the last Business Day of each month, as follows, to the extent of funds on deposit in the Revenue Fund:

(a) first, to the Bond Interest Fund, 1/6 of the installment of interest due on the Bonds on the next Interest Payment Date (after credit for any capitalized interest), plus any deficiencies for any previous month's deposit;

(b) second, to the Bond Principal Fund, 1/6 of the principal due on the Bonds on the next succeeding Interest Payment Date, plus any deficiencies for any previous month's deposit;

(c) third, to the Debt Service Reserve Fund, to the extent the amounts on deposit therein shall be less than the Debt Service Reserve Fund Requirement, the amount of any deficiency;

(d) fourth, to the Operating Expense Fund, the amount budgeted for the next succeeding month for the payment of Operating Expenses for the Project (other than amounts payable to the Managers under the Management Agreements);

(e) fifth, to the Repair and Replacement Reserve Fund, an amount to the extent the amounts on deposit therein shall be less than the Repair and Replacement Reserve Fund Requirement;

(f) sixth, to pay pro rata current and accrued fees under the Management Agreements;

(g) remaining amounts will be deposited with or upon written direction of the Borrower, to be used only (i) in connection with the operation and maintenance of the Project or (ii) in connection with the expansion of the Project or the acquisition of other real or personal property in connection therewith, or (iii) for the payment of any amounts payable under (a) through (f) above, or (iv) to the payment of amounts due to the Managers under the Management Agreements, or (v) to establish or maintain reserves or accounts necessary to assure compliance with the provisions of the Loan Agreement or to assure compliance with the Charters. Such amounts may also be distributed to the Foundation or may be paid to any Manager or any successor manager, to reimburse any such person for permitted expenditures. See the substantially final form of the Management Agreement for Gateway Charter Elementary School and the substantially final form of the Foundation Lease included in APPENDIX F attached hereto.

Debt Service Reserve Fund. There shall be deposited into (i) the Series 2023A Subaccount of the Debt Service Reserve Fund $_____ of proceeds of the Series 2023A Bonds and (ii) the Series 2023B Subaccount of the Debt Service Reserve Fund $_____ of proceeds of the Series 2023B Bonds. There shall also be deposited into the Debt Service Reserve Fund (a) all moneys required to be deposited therein pursuant to the Loan Agreement or the Indenture, and (b) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Loan Agreement or the Indenture that such moneys are to be paid into such account.

The Series 2023A Subaccount of the Debt Service Reserve Fund secures the Series 2023A Bonds only, and does not secure the Series 2007 Bonds, the Series 2012 Bonds, or the Series 2023B Bonds, and the Series 2023B Subaccount of the Debt Service Reserve Fund secures the Series 2023B Bonds only, and does not secure the Series 2007 Bonds, the Series 2012 Bonds, or the Series 2023A Bonds. **The amounts deposited in the Debt Service Reserve Fund for the Series 2007 Bonds secure only the Series 2007 Bonds, and do not secure the Series 2012 or Series 2023 Bonds. The amounts deposited in the Debt Service Reserve Fund for the Series 2012 Bonds secure only the Series 2012 Bonds, and do not secure the Series 2007 Bonds or Series 2023 Bonds.**

Anything in the Indenture to the contrary notwithstanding, moneys on deposit in the Debt Service Reserve Fund shall be invested so as not to be in violation of the yield restrictions set forth in the Tax Certificates. Permitted Investments relating to moneys in the Debt Service Reserve Fund shall be valued by the Trustee in the manner contemplated in the Indenture. If any such valuation reveals that the value of such Permitted Investments in an Account of the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement applicable thereto with respect to the Bonds then Outstanding, secured by such Account, the Trustee shall immediately notify the Borrower and the Issuer of the amount of the difference between the amount derived by such valuation and the Debt Service Reserve Requirement, which difference shall be deposited by the Borrower in the Debt Service Reserve Fund by making the deposits required by the Loan Agreement.

The Trustee is directed in the Indenture to apply amounts on deposit in the Debt Service Reserve Fund securing a particular series of Bonds to the principal and interest payments due on such series of Bonds (and only such Bonds) on the final maturity date in lieu of applying Pledged Revenues for such purpose and the Borrower shall receive a credit for the application of such funds; provided, however, that amounts in the Debt Service Reserve Fund shall not be applied by the Trustee for such purpose if such amounts are needed to satisfy the Debt Service Reserve Requirement for any other series of outstanding Bonds that are secured by such funds. (but not with respect to any series of Bonds not secured by such funds). Accordingly, during the final year of maturity of (i) the Series 2023A Bonds, the Trustee shall credit the Series 2023A Subaccount of the Bond Principal Fund each month with 1/12 of the amount on deposit in the Series 2023B Subaccount of the Debt Service Reserve Fund and (ii) the Series 2023B Bonds, the Trustee shall credit the Series 2023B Subaccount of the Bond Principal Fund each month with 1/12 of the amount on deposit in the Series 2023B Subaccount of the Debt Service Reserve Fund.

Except as required in the Indenture with respect to rebate, moneys in the Debt Service Reserve Fund shall be used solely for the payment of the principal of, premium, if any, and interest on the corresponding series of

Bonds secured by such Account in the event moneys in the Accounts established in the Bond Principal Fund and Bond Interest Fund for such Bonds are insufficient to make such payments when due, whether on an Interest Payment Date, redemption date, sinking fund redemption date, maturity date or otherwise:

Upon the occurrence of an Event of Default under the Indenture and pursuant to the written direction of the Significant Bondholders, any moneys in the Debt Service Reserve Fund may be applied for any purpose provided in the Indenture or any other lawful purpose including, without limitation, payment of the fees and expenses of counsel to the Trustee, provided, however, that the Trustee may require an Opinion of Counsel to the effect that application of the Debt Service Reserve Fund, as directed, will not cause interest on the Series 2007 Bonds, Series 2012 Bonds and/or Series 2023A Bonds or any series of tax-exempt Additional Bonds to be included in gross income for federal income tax purposes.

In the event of the redemption of a series of Bonds in whole, any moneys in the Debt Service Reserve Fund shall be transferred to the Bond Principal Fund and applied to the payment of the principal of and premium, if any, on such Bonds.

Any interest or other gain realized as a result of any investments or reinvestments of moneys in any Account of the Debt Service Reserve Fund shall be credited to such Account of the Debt Service Reserve Fund if the amount therein is less than the Debt Service Reserve Fund Requirement; otherwise such amounts shall be credited to the Bond Interest Fund.

Issuance of Additional Bonds. The Issuer may issue one or more series of Additional Bonds from time to time and lend the proceeds thereof to the Borrower under the Loan Agreement to provide funds for any purpose permitted under the Act. Each series of Additional Bonds shall be issued pursuant to a Supplemental Indenture and shall be equally and ratably secured under the Indenture with all Bonds previously issued and Outstanding under the Indenture, without preference, priority or distinction of any Bond over any other Bond except as set forth in the Indenture and in the applicable Supplemental Indenture provided. Such Additional Bonds shall be dated, shall have an appropriate series designation, and shall contain such terms as to rate of interest, maturity and redemption as may be provided in a Supplemental Indenture. The Trustee shall, at the request of the Issuer, authenticate the Additional Bonds and deliver them as specified in the request, but only upon receipt of:

(i) a certified Issuer resolution: (1) stating the purpose and amount of the issue; (2) authorizing the execution of a Supplemental Indenture establishing the series of Bonds to be issued; (3) authorizing the execution and delivery of the Bonds to be issued; and (4) if the purpose is refunding, authorizing redemption of the Bonds to be redeemed as part of the refunding;

(ii) a Supplemental Indenture setting forth the terms and form of Bonds thereof (which may be by reference to the provisions of the Indenture) and directing the payments to be made into the Funds and Accounts established in respect thereof (including, without limitation, an amount sufficient to satisfy the Debt Service Reserve Fund Requirement related to such Additional Bonds) which Supplemental Indenture may provide for the creation of additional funds and accounts;

(iii) certified Corporate Resolutions of the Borrower: (1) approving the issuance of the series of Additional Bonds and the terms thereof; and (2) authorizing the execution of any required amendments or supplements to the Loan Agreement;

(iv) a supplement and/or amendment to the Loan Agreement (and assignment) duly executed and delivered by the Issuer and the Borrower extending the terms thereof, including the mortgage, to the property being financed with the proceeds of the Additional Bonds, and which shall require the Borrower to pay additional amounts to the Issuer or its assigns, as may be required to enable the Issuer to comply with the requirements of the Supplemental Indenture with respect to the Additional Bonds;

(v) evidence reasonably satisfactory to the Trustee that the Indebtedness represented by the Additional Bonds and the Loan related thereto has been incurred in conformity with all applicable additional indebtedness limitation provisions of the Loan Agreement;

(vi) an opinion or opinions of counsel to the effect that: (1) all conditions prescribed in the Indenture as precedent to the issuance of the Additional Bonds have been fulfilled; (2) the Additional Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the request of the Borrower will be valid obligations of the Issuer entitled to the benefit of the trust created by the Indenture; (3) any consents of any governmental authorities required in connection with the issuance of such Additional Bonds have been obtained (except as to the possible application of state securities laws, as to which no opinion need be expressed); and (4) all documents delivered by the Issuer and the Borrower in connection with the issuance of such Additional Bonds have been duly authorized by all necessary corporate action and such documents have been duly executed and delivered on behalf of the Issuer and the Borrower; and

(vii) such other items as may be required by the Issuer, general counsel and bond counsel to the Issuer, the underwriter for such Additional Bonds and any purchasers thereof including, without limitation, real property surveys, deeds, title insurance, environmental surveys, insurance certificates, leases, certificates, licenses and similar and other necessary agreements or documents.

Upon the issuance and delivery of any series of Additional Bonds, the Issuer shall forthwith transfer the proceeds to the Trustee, and the Trustee shall apply such proceeds in accordance with the terms of the Indenture as modified by the Supplemental Indenture authorizing the issuance of such series of Additional Bonds.

The Loan Agreement

The Loan Agreement requires that the Borrower make payments to the Issuer in amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, when due. All of the Issuer's rights in and to the Loan Agreement and all payments thereunder (except for the Issuer's right to its fees, expenses, advances, indemnification and taxes and the rights of the Issuer to perform certain discretionary acts and to receive notices) are assigned to the Trustee pursuant to the Indenture and the Loan Agreement Assignment. *See* APPENDIX F "FORMS OF CERTAIN FINANCING DOCUMENTS - The Loan Agreement."

The obligations of the Borrower under the Loan Agreement are secured by (i) a fee mortgage interest in the 2007 Project from the Borrower for the benefit of the Trustee, (ii) a leasehold mortgage interest in the Manatee Charter School and the Gateway Expansion from the Borrower for the benefit of the Trustee, (iii) the Red Apple Mortgages, (iv) an assignment of and security interest in the Pledged Revenues and (v) a security interest in all other assets of the Borrower related to the Project.

Financial Covenants. The following is a brief description of certain financial covenants undertaken by the Borrower pursuant to the Loan Agreement. For a description of the various capitalized terms used but not defined herein, *see* "APPENDIX F - FORMS OF CERTAIN FINANCING DOCUMENTS".

Debt Service Coverage Ratio. The Borrower is required to calculate annually the Long-Term Debt Service Coverage Ratio for the Fiscal Year prior to the date of any such calculation, and shall provide a copy of such calculation for such period to the Trustee and Notice Beneficial Owners at the time of delivery of the annual audited financial statements. If the Long-Term Debt Service Coverage Ratio computation delivered at the time of delivery of any such statement indicates that the Long-Term Debt Service Coverage Ratio of the Borrower for such previous Fiscal Year shall be less than 1.15 to 1.00, the Borrower covenants to retain a Consultant at the expense of the Borrower, within 30 days, to make recommendations to increase such Long-Term Debt Service Coverage Ratio in the then-current Fiscal Year to such level or, if in the opinion of the Consultant the attainment of such level is impracticable, to the highest level attainable in such Fiscal Year. Any Consultant so retained shall be required to submit such recommendations to the Trustee and the Notice Beneficial Owners within 90 days after being so retained. The Borrower agrees that it will, to the extent permitted by law, follow the recommendations of the Consultant. The Borrower shall not be obligated to retain such a Consultant more often than once during any twenty-four month period. It should be noted that in making such calculation, 50% of the obligations due to a Manager under any Management Agreement shall be excluded from the calculation of expenses of the Project.

Limitations on Indebtedness. The Borrower shall not incur any Parity Indebtedness (including, without limitation, any loans related to Additional Bonds) except in accordance with the Loan Agreement. To the extent permitted by applicable law and if no Event of Default, or event that with the giving of notice or passage of time or both would constitute an Event of Default, has occurred and is continuing, the Borrower may incur or assume Parity Indebtedness, provided that there shall be delivered to the Trustee (i) a written report of an independent accountant indicating that, as evidenced by the most recent audited financial statement of the Borrower, the ratio of Income Available for Debt Service for the Fiscal Year indicated in such audited financial statements is not less than 125% of the Maximum Annual Debt Service of the Bonds and of all Parity Indebtedness (including Additional Bonds) outstanding and the Parity Indebtedness (including Additional Bonds) proposed to be issued or incurred, and (ii) a written report of an independent Accountant indicating that after the incurrence of such Parity Indebtedness, Income Available for Debt Service for each of the two Fiscal Years following the fiscal Year in which the improvements, equipment or new facilities financed with the proceeds of such Parity Indebtedness are placed in service shall be projected to be at least equal to 125% of the Maximum Annual Debt Service of the Bonds and of all Parity Indebtedness (including Additional Bonds) outstanding and the Parity Indebtedness (including Additional Bonds) proposed to be issued or incurred (*provided that*, such projected Income Available for Debt Service shall be adjusted to provide for any projected revenues and expenses anticipated as the result of any real or personal property acquired, constructed or completed with the proceeds of any such Parity Indebtedness; and *provided further that* 50% of fees due to any Manager under a Management Agreement shall be excluded from the calculation of expense in determining such projected Income Available for Debt Service).

In addition, to the extent permitted by applicable law and if no Event of Default, or event that with the giving of notice or passage of time or both would constitute an Event of Default, has occurred and is continuing, the Borrower may incur or assume Non-Recourse Debt, Short Term Indebtedness and capital leases and installment purchase agreements for personal property of the Borrower, but limited to a total aggregate principal amount outstanding at any time not to exceed five percent (5%) of Operating Expenses for the Fiscal Year prior to the date of calculation. Also, to the extent permitted by applicable law and if no Event of Default, or event that with the giving of notice or passage of time or both would constitute an Event of Default, has occurred and is continuing, the Borrower may incur or assume Subordinate Indebtedness without limitation. During any Fiscal Year during which Short-Term Indebtedness is outstanding, there shall be a period of at least fifteen consecutive calendar days in which there is no Short-Term Indebtedness outstanding.

Liquidity Covenant. The Borrower agrees in the Loan Agreement that it shall have unrestricted immediately available funds on hand (not including any Funds held by the Trustee under the Indenture), as of thirty (30) days prior to each Interest Payment Date (the "Testing Date") in an amount equal to the Average Daily Expenses calculated for the immediately prior Fiscal Year (based on the most recent Fiscal Year's audited financial statements) times 60 days for each Fiscal Year.

"Average Daily Expenses" shall mean (A) cash requirements for the Project during such fiscal year (*excluding* from such calculation all (i) depreciation and other non-cash items, and (ii), and *including* within such calculation (i) all Operating Expenses for such fiscal year (subject to the foregoing exclusion of deferred fees), and (ii) Long-Term Debt Service Requirements payable during such fiscal year, *divided by* (B) 360.

No proceeds of any Indebtedness shall be considered unrestricted available cash for purposes of such calculation. On or before each Interest Payment Date the Borrower shall provide to the Trustee and each Notice Beneficial Owner an Officer's Certificate attesting to the number of days Average Daily Expenses the Borrower held in unrestricted immediately available funds as of the Testing Date (not including any Funds held by the Trustee under the Indenture). If the Borrower shall fail to maintain unrestricted immediately available funds (not including any Funds held by the Trustee under the Indenture) equal to the number of days Average Daily Expenses set forth in the foregoing table on a Testing Date, it shall not be a default or Event of Default under the Loan Agreement or the Indenture, but payments due under the Management Agreements shall be suspended (but shall accrue for the benefit of the Managers).

Limitations on Additional Facilities

The Borrower agrees that that neither the Borrower nor any member thereof, nor any affiliate of the Borrower or any member thereof, will own or operate a charter school for elementary or middle school students or hold a charter with respect thereto (other than the Project) within five miles of any Project facilities, without the written consent of the Holders or Beneficial Owners of not less than 50% in principal amount of the Bonds Outstanding. The foregoing limitation shall not apply to any elementary or middle school financed with proceeds of Parity Indebtedness (including Additional Bonds) incurred in compliance with the limitations described above under "—Financial Covenants—Limitations on Indebtedness".

In addition, each Manager agrees that neither such Manager nor any affiliate thereof will own or operate a charter school for elementary or middle school students (other than the Project) within five miles of any Project facilities unless the criteria specified above for the Borrower are satisfied. The foregoing limitation also shall not apply to any elementary or middle school financed with proceeds of Parity Indebtedness (including Additional Bonds) incurred in compliance with the limitations described above under "—Financial Covenants—Limitations on Indebtedness".

The ability to incur Parity Indebtedness (including through the issuance of Additional Bonds) in order to construct additional facilities is not to be construed as an agreement by the Lee Charter Foundation or any affiliate thereof to undertake the construction of such additional facilities, or to finance such facilities through Parity Indebtedness, or through the issuance of Additional Bonds, nor shall it be construed as an agreement by CSUSA or any affiliate thereof to manage any such facility. See "UNDERWRITING; LIMITED OFFERING" herein.

Pledged Revenues

The revenues pledged to secure the payment of the Bonds consist of "Pledged Revenues", defined to mean any and all rights to receive all the receipts, revenues, cash and income of the Borrower from whatever source derived, whether in the form of accounts, accounts receivable, rents, fees, contract rights, chattel paper, general intangibles, commercial tort claims, profits and income, or other rights, and the proceeds of all of the foregoing, whether now owned or held or hereafter coming into existence or acquired. Pledged Revenues include (but is not limited to) (a) Base Rentals, (b) Capital Contributions, and (c) Additional Rent.

The Borrower anticipates that substantially all of the revenues available for payments under the Loan Agreement shall be derived from its lease or sublease of the Project to the Foundation pursuant to the Foundation Lease, including Base Rentals and Additional Rent payable by the Foundation under the Foundation Lease, and amounts on deposit in certain Funds created in the Indenture. The Foundation anticipates that substantially all of the revenues available for payments under the Foundation Lease shall be derived from Charter Revenues and Additional Revenue. The Foundation has pledged all Charter Revenues and Additional Revenue to secure its obligations with respect to the payment of such Base Rentals and Additional Rentals.

The Leases

In order to secure the payment of the Bonds, each of the Borrower and Red Apple has assigned all of its rights and interest in the Red Apple Leases to the Trustee, pursuant to the Red Apple Lease Assignment. In order to secure the payment of the Bonds, the Borrower has assigned all of its rights and interest in the Foundation Lease to the Trustee, pursuant to the Foundation Lease Assignment.

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DEBT SERVICE REQUIREMENTS*

The following are the estimated debt service requirements on the Bonds.

Year Ended June 15,	Series 2023A Bonds		Series 2023B Bonds		Series 2012 Bonds	Series 2007 Bonds	Total
	Principal	Interest	Principal	Interest	Total Debt Service	Total Debt Service	
2024	$	$	$	$	$1,571,475	$5,577,219	$
2025					1,569,300	5,581,506	
2026					1,568,638	5,578,444	
2027					1,576,188	5,577,900	
2028					1,571,675	5,602,966	
2029					1,570,513	5,600,697	
2030					1,567,288	5,603,888	
2031					1,572,000	5,602,134	
2032					1,574,375	5,600,034	
2033					1,568,750	5,601,916	
2034					1,574,156	5,602,241	
2035					1,571,256	5,600,338	
2036					1,565,769	5,600,534	
2037					1,567,119	11,042,850	
2038					1,570,019		
2039					1,569,038		
2040					1,569,319		
2041					1,575,431		
2042					3,147,088		
2043							
2044							
2045							
2046							
2047							
2048							
2049							
2050							
2051							
2052							
2053							
Totals	$	$	$	$	$31,419,397	$83,772,667	$

TAX MATTERS

Series 2023A Bonds

In the opinion of [Nabors, Giblin & Nickerson, P.A. as Bond Counsel to the Issuer, and Watson Sloane PLLC as Bond Counsel to the Borrower] (together "Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, accuracy of certain representations and compliance with certain covenants, interest on the Series 2023A Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and is not a specific preference item for purposes of the federal alternative minimum tax; however, the Inflation Reduction Act of 2022 which was signed into law on August 16, 2022, imposes an alternative minimum tax of 15% on the "adjusted financial statement income" (as

* Preliminary, subject to change.

defined in the Code) of certain corporations. Interest on the Series 2023A Bonds is taken into account in determining such adjusted financial statement income. The opinion of Bond Counsel to be delivered on the date of original delivery of the Series 2023A Bonds will be conditioned on continuing compliance by the Issuer, the Foundation and the Borrower with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Series 2023A Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the Closing Date.

The Code imposes certain requirements which must be met as a condition to the exclusion from gross income of interest on the Series 2023A Bonds for federal income tax purposes. The Issuer, the Foundation and the Borrower will covenant not to take any action nor fail to take any action, within their respective power and control, with respect to the Series 2023A Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds pursuant to Section 103 of the Code (collectively with certificates of appropriate officers of the Borrower, the Foundation and the Issuer and certificates of public officials (including certifications as to the use of proceeds of the Series 2023A Bonds and of the property financed and refinanced thereby, the "Tax Covenants"). The Indenture and the Loan Agreement, and certain certificates and agreements to be delivered on the Closing Date establish procedures under which compliance with the requirements of the Code can be met. As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon the Tax Covenants without undertaking to verify the same by independent investigation.

Certain of the Series 2023A Bonds (the "Discount Series 2023A Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Series 2023A Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Series 2023A Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2023A Bonds. Original issue discount will accrue over the term of a Discount Series 2023A Bond at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Series 2023A Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Series 2023A Bonds and will increase its adjusted basis in such Discount Series 2023A Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Series 2023A Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Series 2023A Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Series 2023A Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Series 2023A Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Series 2023A Bonds.

Certain of the Series 2023A Bonds (the "Premium Series 2023A Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Series 2023A Bonds, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Series 2023A Bonds which term ends on the earlier of the maturity or call date for each Premium Series 2023A Bonds which minimizes the yield on said Premium Series 2023A Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Series 2023A Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Series 2023A Bonds annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Series 2023A Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Series 2023A Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Series 2023A Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Series 2023A Bonds.

Current and future legislative proposals, if enacted into law, may cause interest on the Series 2023A Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent Bondholders from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislation or clarification of the Code may also affect the market price for, or marketability of, the Series 2023A Bonds. Although Bond Counsel is expected to render an opinion on the federal and state tax matters above on the Closing Date, the accrual or receipt of interest on the Series 2023A Bonds may otherwise affect a Bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon such Bondholder's particular tax status and such Bondholder's other items of income or deduction. Prospective purchasers of the Series 2023A Bonds should consult their own tax advisors with regard to other tax consequences of owning the Series 2023A Bonds.

The opinion of Bond Counsel is based on current legal authorities, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2023A Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service or the courts, and is not a guarantee of result. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer, the Borrower, the Foundation or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the Internal Revenue Service.

Bond Counsel's engagement with respect to the Series 2023A Bonds ends with the issuance of the Series 2023A Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, the Foundation, the Borrower or the Bondholders regarding the tax-exempt status of the Series 2023A Bonds in the event of an examination by the Internal Revenue Service. Under current procedures, parties other than the Issuer, the Foundation, the Borrower and their appointed counsel, including Bondholders, may have little, if any, right to participate in the examination process. Moreover, because achieving judicial review in connection with an examination of bonds is difficult, obtaining an independent review of Internal Revenue Service positions with which the Issuer or Borrower legitimately disagrees, may not be practicable. Any action of the Internal Revenue Service, including but not limited to the selection of the Series 2023A Bonds for examination, or the course or result of such examination, or an examination of bonds presenting similar tax issues may effect the market price for, or the marketability of, the Series 2023A Bonds, and may cause the Issuer, the Borrower, the Foundation or the Bondholders to incur significant expense.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2023A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

The Series 2023A Bonds and the interest thereon are exempt from all present intangible personal property taxes imposed pursuant to Chapter 199, Florida Statutes. Bond Counsel is further of the opinion that the Series 2023A Bonds and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

Series 2023B Bonds

In on the Series 2023B Bonds is not excluded from gross income for federal income tax purposes. Except as provided above, Bond Counsel is not rendering any opinion regarding the tax consequences of owning the Series 2023B Bonds. There are several tax-related issues attendant with ownership of the Series 2023B Bonds including, but not limited to, treatment of original issue discount or premium, if any, treatment of secondary market discount or premium, if any, reporting requirements and possible application of backup withholding tax, determination of an owner's tax basis and gains or losses in connection with sales, exchanges or other dispositions of the Series 2023B Bonds, foreign ownership, ownership by certain employee benefit plans and other retirement plans and other issues. Many of the rules related to these issues are complicated and purchasers of the Series 2023B Bonds should consult their own tax advisors and professionals as to the tax consequences of the purchase, ownership and disposition of the Series 2023B Bonds under federal, state, local, foreign and other tax laws.

If a holder purchases the Series 2023B Bonds after the initial offering for an amount that is less than the principal amount of the Series 2023B Bonds, and such difference is not considered to be de minimis, then such discount will represent market discount that ultimately will constitute ordinary income (and not capital gain). Further, absent an election to accrue market discount currently, upon a sale or exchange of a Series 2023B Bond, a portion of any gain will be ordinary income to the extent it represents the amount of any such market discount that was accrued through the date of sale. In addition, absent an election to accrue market discount currently, the portion of any interest expense incurred or continued to carry a market discount Series 2023B Bond that does not exceed the accrued market discount for any taxable year, will be deferred.

The Series 2023B Bonds and the interest thereon are exempt from all present intangible personal property taxes imposed pursuant to Chapter 199, Florida Statutes. Bond Counsel is further of the opinion that the Series 2023B Bonds and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

Opinion of Bond Counsel

Nabors, Giblin & Nickerson, P.A., Tampa, Florida has served as Bond Counsel to the Issuer and Watson Sloane PLLC has served as Bond Counsel to the Borrower with respect to the issuance of the Series 2023 Bonds. The forms of opinions of bond counsel will address the tax status summarized above and are attached to this Limited Offering Memorandum as APPENDIX G and are subject in all respects to the limitations and matters set forth therein. Portions of the opinions are rendered in reliance on certain matters addressed in the opinions of counsel to the Borrower, the Foundation and Red Apple. The opinions should be read in their entirety for a complete understanding of the scope of the opinions and the conclusions expressed. The opinions speak only as of their date and are not subject to update by reason of any distribution or republication after the date of delivery. The opinions of Bond Counsel are not intended or written by Bond Counsel to be used and cannot be used by a holder of Series 2023 Bonds for the purpose of avoiding penalties that may be imposed on the holder of Series 2023 Bonds.

APPROVAL OF LEGAL PROCEEDINGS

Legal matters incident to the authorization, issuance and sale of the Series 2023 Bonds are subject to the approving opinion of Nabors, Giblin & Nickerson, P.A. as Bond Counsel to the Issuer, and Watson Sloane PLLC as Bond Counsel to the Borrower. A signed copy of such opinions dated and premised on facts existing and law in effect as of the date of original delivery of the Series 2023 Bonds, will be delivered at the time of such original delivery in substantially the forms attached hereto as APPENDIX G – "FORMS OF OPINIONS OF BOND COUNSEL." In rendering such approving legal opinions, bond counsel will rely upon certifications and representations of facts to be contained in the transcript of proceedings which bond counsel will not have independently verified.

Bond Counsel has not been engaged nor undertaken to review (a) the accuracy, completeness or sufficiency of this Limited Offering Memorandum or any other offering material related to the Series 2023 Bonds, except as may be provided in a supplemental opinion of Bond Counsel to the Underwriter, upon which only it may rely, and which will be limited to certain information contained in this Limited Offering Memorandum regarding (i) certain terms of the Series 2023 Bonds, the Indenture, the Loan Agreement, the Foundation Lease, the Loan Agreement Assignment, the Red Apple Lease Assignment and the Foundation Lease Assignment, to the extent those statements purport to summarize the terms of the Series 2023 Bonds, the Indenture, the Loan Agreement, the Foundation Lease, the Loan Agreement Assignment, the Red Apple Lease Assignment and the Foundation Lease Assignment, (ii) the security and source of payment for the Series 2023 Bonds, and (iii) the tax-exempt status of the Series 2023A Bonds.

Certain legal matters will be passed upon for the Borrower and the Foundation by Law Offices of Levi Williams, P.A.; for Red Apple, CSUSA and the Managers by Tripp Scott, P.A.; for the Issuer by Knott, Ebelini, Hart; and for the Underwriter by Ice Miller LLP.

The legal opinions of Bond Counsel, counsel to the Borrower and the Foundation, counsel to Red Apple, CSUSA and the Managers, counsel to the Issuer and counsel to the Underwriter are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made to such counsel as of the date thereof. Bond Counsel, counsel to the Borrower and the Foundation, counsel to Red Apple, CSUSA and the

Managers, counsel to the Issuer and counsel to the Underwriter assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, which may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL ADVISOR

Hamlin Capital Advisors, LLC ("HCA") is serving as financial advisor to the Borrower and the Foundation in connection with the issuance of the Series 2023 Bonds. HCA has not prepared any portion of this Limited Offering Memorandum and HCA is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Limited Offering Memorandum.

HCA, financial advisor to the Borrower in connection with the issuance of the Series 2023 Bonds, has certain common ownership with Hamlin Capital Management, LLC ("HCM"). HCM may buy or sell Series 2023 Bonds or may serve as investment advisor for buyers of the Series 2023 Bonds, at their initial issuance or in secondary market transactions, in its sole discretion.

LITIGATION

No Proceedings Against the Borrower, the Foundation or any Related Parties

As of the date hereof, there is no litigation of any nature pending or threatened against the Borrower or the Foundation to restrain or enjoin the issuance, sale, execution of the delivery of the Series 2023 Bonds or the application of the proceeds thereof towards the costs of the Project, or in any way contesting or affecting the validity of the Series 2023 Bonds or any proceedings the Borrower or the Foundation has taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security for the Series 2023 Bonds or the existence or powers of the Borrower or the Foundation.

There is no action threatened or pending against the Borrower or the Foundation questioning the validity of the Leases, the Loan Agreement, any Charter, any Management Agreement, the Red Apple Lease Assignment, the Foundation Lease Assignment or the Series 2023 Bonds, or the power and authority of the Borrower or the Foundation to execute and deliver the Leases, the Loan Agreement, any Charter, the Red Apple Lease Assignment, the Foundation Lease Assignment or any Management Agreement.

CSUSA and the Managers

As described in APPENDIX D – GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC. – Litigation", CSUSA and one of its management affiliates (not one of the Managers of the Schools) is currently a defendant in civil litigation that, if determined adversely to CSUSA, could have a material adverse impact on CSUSA's financial condition and its ability to provide management service to the Schools through the Managers. See "BONDHOLDERS' RISKS – Reputational Risk" and " – Litigation" herein.

No Proceedings Against the Issuer

To the Issuer's knowledge, there is no action threatened or pending against it questioning the validity of the Indenture, the Loan Agreement or the Series 2023 Bonds, or the power and authority of the Issuer to execute and deliver the Indenture, the Loan Agreement or the Series 2023 Bonds.

UNDERWRITING; LIMITED OFFERING

The Series 2023 Bonds will initially be purchased by Herbert J. Sims & Co., Inc. (the "Underwriter"). The Underwriter has agreed to purchase the Series 2023 Bonds at a price resulting in Underwriter's discount of $_____, subject to the terms of a bond purchase agreement among the Issuer, the Borrower, the Foundation, Red Apple, CSUSA and the Underwriter (the "Bond Purchase Agreement"). Bond Purchase Agreement provides that the Underwriter shall purchase all Series 2023 Bonds if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement, the approval of certain legal matters by counsel and certain other conditions. The initial offering prices set forth on page i hereof may be changed from time to time by the Underwriter. The Borrower, Foundation, CSUSA, and Red Apple have agreed under the Bond Purchase Agreement to indemnify the Underwriter and the Issuer against certain liabilities, including certain liabilities under federal and state securities laws. The Underwriter, the Borrower, the Foundation, CSUSA, and Red Apple have also agreed that nothing in the Bond Purchase Agreement or elsewhere shall be construed to require the purchase of any Additional Bonds by the Underwriter or to require the Underwriter to provide financing for additional facilities, or to entitle the Underwriter to purchase any Additional Bonds or provide such financing.

INVESTMENT IN THE SERIES 2023 BONDS INVOLVES A HIGH DEGREE OF RISK AND EACH PROSPECTIVE INVESTOR SHOULD CONSIDER ITS FINANCIAL CONDITION AND THE RISKS INVOLVED TO DETERMINE THE SUITABILITY OF INVESTING IN THE SERIES 2023 BONDS. THE SERIES 2023 BONDS ARE BEING OFFERED ONLY TO (1) "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND (2) AN INSTITUTIONAL "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(A)(1),(2),(3) OR (7) OF THE SECURITIES ACT.

FINANCIAL STATEMENTS

Audited and/or unaudited financial statements for certain of the Schools are included in this Limited Offering Memorandum as described below. The Borrower and the Foundation are not aware of any facts that would make the audited financial statements, unaudited financial statements or projected financial statements misleading.

The audited financial statements for each of the Schools for the fiscal years ending June 30, 2021, 2022, and 2023 are included in this Limited Offering Memorandum as APPENDIX B and have been audited by Keefe, McCullough & Co., LLP, independent certified public accountants, and are the most recent audited financial statements available for those Schools. Such financial statements speak only as of those dates and do not report any changes that might have occurred since June 30, 2021, 2022, and 2023, respectively.

The examined forecast of the Schools included within APPENDIX C hereto have been compiled by Keefe, McCullough & Co., LLP. Each has been included in reliance upon the report of Keefe, McCullough & Co., LLP. The Borrower have not asked Keefe, McCullough & Co., LLP to perform any additional review in connection with this Limited Offering Memorandum.

Unaudited financial statements of each of the Schools for the periods ending September 30, 2022 and 2023 are included in "APPENDIX A – GENERAL INFORMATION REGARDING THE BORROWER, THE FOUNDATION AND THE SCHOOLS – Summary Financial Statements". As of July 1, 2023, Gateway Charter Elementary School, Gateway Intermediate Charter School and Gateway Charter High School consolidated its operations under a single name and identity to "Gateway Charter School." Financial statements commencing with June 30, 2024, will be consolidated into a single audit for Gateway Charter School.

CONTINUING DISCLOSURE

The Underwriter is exempt from the continuing disclosure requirements of Rule 15c2-12 (the "Rule") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), pursuant to the exemptions provided in paragraph (d)(1) of the Rule. However, the Borrower, the Foundation and Digital Assurance Certification, LLC ("DAC"), as dissemination agent, will enter into and deliver a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") with respect to the Series 2023 Bonds. See "APPENDIX H – FORM OF CONTINUING

DISCLOSURE UNDERTAKING."

In connection with the Series 2007 Bonds and the Series 2012 Bonds, the Borrower and the Foundation entered into prior continuing disclosure undertakings and in connection with the Other Foundation Bonds the Foundation entered into prior continuing disclosure undertakings (collectively, the "Prior Undertakings").

Certain instances of noncompliance with these Prior Undertakings include failure to timely post audited financial statements, failure to timely post quarterly financial reports, failure to timely post annual reports, failure to timely post financial covenants, failure to post compliant financial covenants, failure to post the certificates regarding lease payment coverage ratios, failure to post compliant budgets, and failure to timely post investor call notices.

The Borrower has reviewed its continuing disclosure obligations under the Continuing Disclosure Agreement with the Underwriter. In connection with such review, the Dissemination Agent has assisted the Foundation and the Borrower in posting failure to file notices for instances of past noncompliance. The Foundation and the Borrower have not remedied all instances of past noncompliance, but expects to meet its continuing disclosure obligations under the Continuing Disclosure Agreement based on its review thereof with the Underwriter. [CONFIRM]

MISCELLANEOUS

All estimates, assumptions, statistical information and other statements contained herein, while taken from sources considered reliable, are not guaranteed by the Borrower, the Foundation, CSUSA, Red Apple, the Issuer, the Trustee or the Underwriter. The information contained herein should not be construed as representing all conditions affecting the Borrower, the Foundation, CSUSA, Red Apple, the Issuer or the Series 2023 Bonds. Additional information may be obtained from CSUSA. The statements relating to the Indenture, the Leases, the Loan Agreement, the Red Apple Mortgages, the Charters, the Management Agreements or the Series 2023 Bonds are in summarized form and are qualified by reference to the complete documents. This Limited Offering Memorandum is not to be construed as a contract or agreement between the Borrower or the Foundation and purchasers of the Series 2023 Bonds.

The distribution and use of this Limited Offering Memorandum have been approved by the Issuer, the Borrower and the Foundation. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Issuer, the Borrower or the Foundation and any purchaser, owner or holder of any Series 2023 Bond.

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

_____

President

SOUTHWEST CHARTER FOUNDATION, INC.

_____

President

APPENDIX A
GENERAL INFORMATION REGARDING THE BORROWER,
THE FOUNDATION AND THE SCHOOLS

APPENDIX B
FINANCIAL STATEMENTS

APPENDIX C
FORECASTED COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDING JUNE 30, 2024, 2025, 2026, 2027 AND 2028

APPENDIX D
GENERAL INFORMATION REGARDING CHARTER SCHOOLS USA, INC.

APPENDIX E
GENERAL INFORMATION REGARDING FLORIDA CHARTER SCHOOLS

INTRODUCTION

General Background

Pursuant to Florida Statute 1002.33 (and related provisions, including 1002.345, the "Act"), charter schools are public schools that are operated by a public or private entity that is not the local school board pursuant to an agreement with the local school board, known as a "charter." The charter requires the charter holder to abide by certain rules and regulations, however, the charter also provides the charter holder certain autonomy. Some of the requirements include specified student achievement curriculum and goals. In return, the charter school is allocated public educational funds for a stated period of time. As of the 2021-22 school year, there was an estimated national enrollment of approximately 3.7 million charter school students in 45 states and the District of Columbia across more than 7,800 schools.[*] In the State[†], charter schools served more than 361,939 students in approximately 703 schools in 47 Florida school districts during the 2021-22 school year.[‡]

While charter schools are an established part of the public education system in the State, State law applicable to charter schools continues to evolve. The substance of current laws is reflected in the following summaries of the State charter school laws, but does not contain the entirety of the Act, a copy of which is available online at www.leg.state.fl.us/statutes.

State Legislature

During recent years, various legislative proposals and proposed constitutional amendments relating to charter schools have been introduced in the State Legislature. There is no assurance that this is an exhaustive list of each current proposal that may have a material impact on charter schools in the State. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the Schools. See "BONDHOLDERS' RISKS – Changes in Law; Annual Appropriation; Inadequate State Payments" in the forepart of this Limited Offering Memorandum.

2023 Charter School Legislation and Recent Case Law

Below is a brief description of legislation concerning or affecting charter schools in the State that was enacted during the State Legislature's 2022 regular session, which ended on May 7, 2023.

House Bill 1: House Bill 1 ("HB 1") expands the State's voucher program and school choice options for all K-12 students in the State. HB 1 eliminated the financial eligibility restrictions and allows any student who is eligible to enroll in K-12 to participate in available school choice options. HB 1 prioritizes awards to students with household incomes that do not exceed 185 percent of the federal poverty level, while incorporating a second priority to award scholarships to students who live in households with incomes between 185 percent of the federal poverty level and 400 percent of the federal poverty level. Additionally, HB 1 increased the annual scholarship adjustment for the Family Empowerment Scholarship for Students with Unique Abilities from one percent to three percent to address high demand and wait lists.

Capital Outlay: House Bill 1259 ("HB 1259") and Senate Bill 1328 ("SB 1328") require school districts to share a portion of their local property tax revenue with charter schools. The new law is effective as of July 1, 2023, and ensures that school districts share 20 percent of their discretionary 1.5 millage capital outlay funding collected through property tax assessments with charter schools. The required share will be based upon the total funds collected minus the local school boards debt assessed against these monies as of March 2017 on a per-pupil basis. The proportion of sharing starts at 20 percent of the per pupil amount and increases by 20 percentage points over the

[*] This information is provided by the National Center for Education Statistics: https://nces.ed.gov/programs/coe/indicator/cgb/public-charter-enrollment

[†] Capitalized terms used but not defined herein have the meanings assigned thereto in the Limited Offering Memorandum

[‡] This information is provided by the Florida Department of Education Office of Independent Education and Parental Choice Fact Sheet: https://www.fldoe.org/core/fileparse.php/7778/urlt/Charter-Sept-2022.pdf

next five years when districts will have to share 100 percent of their funding on a per-pupil basis. The additional funding for charter schools is estimated at approximately $55.9 million for the 2023-24 fiscal year in facilities funding based on current student enrollment numbers, which would grow to approximately $490 million under the five-year glide path. The exact financial impacts will vary from school district-to-school district given the differences in property taxes collected since March 2017, total enrolled students in the school district and the total number of students enrolled in charter schools or school districts.

Supporting New and Aspiring Teachers. House Bill 1537 ("HB 1537") defines the requirements for professional learning and requires the Florida Department of Education ("FLDOE") to create a high-quality programs web-based marketplace. HB 1537 protects administrators' responsibility to visit and observe classroom teachers throughout the year. HB 1537 extends temporary teaching certificates from 3 to 5 years and limits the certificate to a one-time, nonrenewable issuance. The bill expands temporary certification eligibility to candidates currently enrolled in state-approved teacher preparation programs and who meet certain requirements.

Expedited reimbursement of federal grant funds to charter schools: House Bill 443 ("HB 443") authorizes certain charter schools to use specified assets for certain other charter schools through an unforgivable loan with specified terms including (i) requiring charter school sponsors to timely review and reimburse specified grant funds; (ii) requiring such funds to be reimbursed within a specified time period; and (iii) requiring a charter school sponsor to timely review and reimburse federal grant funds to a charter school within 60 calendar days from the date of submission, if the submission provides all the necessary information to qualify for reimbursement.

Interscholastic Extracurricular Activities. Senate Bill 190 ("SB 190") authorizes charter school students and Florida Virtual School full-time students to participate in extracurricular activities at a private school under certain circumstances.

2022 Charter School Legislation and Recent Case Law

Below is a brief description of legislation concerning or affecting charter schools in the State that was enacted during the State Legislature's 2022 regular session.

Modifying a Charter School Contract. House Bill No. 225 ("HB 225") specifies that a charter may be modified at any time, during any term; requires a request for a consolidation of multiple charters to be approved or denied within 60 days; requires a charter school sponsor to provide to the charter school reasons for a denial of a request for a consolidation within 10 days; requires sponsors to provide a 90-day notice to a charter school of the decision to renew, terminate, or non-renew before a vote; and allows automatic renewal of a charter if a sponsor does not vote on such a renewal at least 90 days before the end of the school year.

Senate Bill 758. Senate Bill 758 ("SB 758") modifies and establishes provisions relating to charter school authorization, facilities, sponsor oversight, and distribution of funds. SB 758 also expands the current authorization for district school board members or charter school governing board members to visit schools under their jurisdiction to specify that any member of the State Legislature may visit any public school in his or her legislative district.

Charter School Authorization. SB 758 creates the Charter School Review Commission ("CSRC"), subject to an appropriation, and requires the State Board of Education to appoint the membership, confirmed by the Senate. Additionally, the CSRC:

- Is provided the same powers as a sponsor in regard to reviewing and approving charter schools.
- Must consider in its review input from the district school board of the school district where the proposed charter school will be located, which must serve as the sponsor and supervisor of an approved charter school.
- Decisions may be appealed to the State Board of Education.

SB 758 creates, subject to appropriation, the Florida Institute for Charter School Innovation (the "Institute") at Miami Dade College ("MDC"). The purpose of the Institute is to improve charter school authorization in this state. Duties include analyzing charter school applications and identifying best practices, providing technical assistance to sponsors, conducting research and workshops, and collaborating with the Department of Education in developing a sponsor evaluation framework.

Charter School Facilities. SB 758 provides that an interlocal agreement or ordinance that imposes a greater regulatory burden on charter schools than school districts is void and unenforceable. A charter school may use an interlocal agreement, including provisions relating to the extension of infrastructure, entered into by a school district for the development of district schools.

SB 758 provides that any entity that contributes toward the construction of charter school facilities created to mitigate the educational impact of residential development must receive credit toward any educational impact fees or exactions to the extent that the entity has not received credit under school concurrency requirements for such contribution.

SB 758 specifies that any facility or land owned by a public postsecondary institution or facility used as a school or childcare facility may be used as a charter school without obtaining a special exemption from existing zoning and land use designations.

SB 758 directs the Office of Program Policy and Governmental Accountability to complete, by January 1, 2023, an analysis of the distribution of capital outlay and federal funds to charter schools.

Sponsor Oversight. SB 758 provides that a charter school that receives a school grade lower than a "B" in the most recent graded school year, and has met the terms of its program review with no grounds for nonrenewal being expressly found, must be granted no less than a five-year charter renewal, subject to specified school grade provisions. SB 758 requires a 15-year charter renewal for a charter school that has received a school grade of "A" or "B" in the most recent graded school year and meets other specified conditions.

SB 758 specifies that a charter school must be under a deteriorating financial condition or financial emergency in order for a sponsor to not renew or terminate a charter for fiscal mismanagement. The bill also removes "other good cause shown" as a grounds for the termination or nonrenewal of a charter school.

Distribution of Funds. SB 758 modifies the Teacher Salary Increase Allocation in the Florida Education Finance Program ("FEFP") to require that if a school district has not received its allocation due to its failure to submit an approved district salary distribution plan, each charter school within its district that has submitted a salary distribution plan must be provided its proportionate share of the allocation. SB 758 also prohibits a sponsor from withholding any administrative fee against a charter school for funds specifically allocated by the State Legislature for teacher compensation.

SB 758 includes the Charter School Review Commission (CSRC) within the FLDOE to assist in the review and approval of charter school applications. But the amendment:

- Specifies that the CSRC is subject to an appropriation.
- Requires that the State Board of Education appoints the membership of the CSRC instead of the Commissioner of Education.
- Authorizes the DOE to contract with a college or university to provide administrative and technical assistance to the commission.

Additionally, SB 758 makes the following changes:

- Authorizes any facility or land owned by a Florida College System institution or university, any similar public institutional facilities, and any facility recently used to house a school or child care facility, to provide space to charter schools under the facility's existing zoning and land use designations.
- Prohibits a charter school from being subject to land use regulations which would not be required of a public school, and authorizes a charter school to use a school district's interlocal agreement, including provisions relating to the extension of infrastructure.
- Provides that an interlocal agreement or ordinance which imposes a greater regulatory burden on a charter school is void and unenforceable.
- Specifies that a charter sponsor may not charge or withhold an administrative fee against a charter school for any funds specifically allocated for teacher compensation.
- Modifies the requirements whereby charter school facilities are used to mitigate the impact of development to require that a proportionate share of the costs per student station of educational impact fees be designated for the construction of charter school facilities created for a specified purpose.
- specifies that an entity that contributes toward the construction of a charter school to mitigate the impact of development must receive a credit toward any impact fees not already credited.
- Expands the current authorization for district school board members or charter school governing board members to visit schools under their jurisdiction to specify that any member of the State Legislature may visit any public school in the legislative district of the member.
- Modifies the Teacher Salary Increase Allocation in the FEFP to require that if a school district has not received its allocation due to its failure to submit an approved district salary distribution plan, the district school board must provide to each charter school within its district that has submitted a salary distribution plan its proportionate share of the allocation.

School Campus Safety**.** House Bill No. 1421 ("HB 1421") makes enhancements and increases requirements related to school campus safety and explicitly clarifies that school safety officers can make arrests on public charter school grounds and that district and charter schools alike must develop a reunification plan in case of a manmade or natural disaster. HB 1421 improves transparency around school safety and security and addresses student mental health by:

- Requiring the Office of Safe Schools ("OSS") to develop a model family reunification plan that guides family reunification when K-12 public schools are closed or unexpectedly evacuated due to natural or manmade disasters, and requiring district school boards and charter school governing boards to adopt a reunification plan.
- Requiring that the State Board of Education adopt rules setting requirements for emergency drills including timing, frequency, participation, training, notification, and accommodations, and requiring that law enforcement officers responsible for responding to schools in the event of an assailant emergency be physically present and participate in active assailant drills.
- Requiring the FLDOE to annually publish school safety and environmental incident reporting data in a uniform, statewide format that is easy to read and understand.
- Requiring safe-school officers that are sworn law enforcement officers to complete mental health crisis intervention training, and requiring safe-school officers that are not sworn law enforcement officers to receive training on incident response and de- escalation.
- Requiring that school district and local mobile response teams use the same suicide screening tool approved by the FLDOE.
- Requiring that school districts annually certify, beginning July 1, 2023, that at least 80 percent of school personnel received the mandatory youth mental health awareness training.
- Requiring the OSS to maintain a directory of public school diversion programs, providing to school districts information on the proper use of the School Safety Awareness Program, including the consequences of knowingly submitting false information, and providing a similar notification to users of the FortifyFL system.

HB 1421 extends the sunset date of the MSD Commission until July 1, 2026, for the purpose of monitoring implementation of school safety legislation, and specifies additional duties. The bill also requires the Commissioner of Education to oversee and enforce school safety and security compliance in the state.

Standardized Testing. Senate Bill No. 1048 ("SB 1048") substantially changes the State's statewide standardized assessment program to include a statewide coordinated screening and progress monitoring (CSPM) tool to replace the Florida Standards Assessment.

Statewide Standardized Assessment Program. SB 1048 modifies the statewide standardized assessment program to include a CSPM system, but maintains the statewide standardized science assessment and the end-of-course ("EOC") assessments in Algebra 1, Geometry, Biology I, United States History, and Civics.

SB 1048 specifies the implementation of English Language Arts ("ELA") grades 3-10 and mathematics grades 3-8 assessment and progress monitoring, beginning in the 2022-23 school year, which must include:

- A screening and progress monitoring assessment administered at the beginning and middle of the school year, which must:
  - Measure student progress in meeting ELA and mathematics standards.
  - Be a computer-based assessment that can identify students who have a substantial deficiency in reading, including identifying students with characteristics of dyslexia, and in mathematics.
  - Provide results to teachers within 1 week and parents within 2 weeks.
- An end-of-year assessment administered in the spring, the results of which will replace the Florida Standards Assessment ("FSA") to be used for accountability purposes in grade three retention, high school graduation, school grades, and school improvement ratings.

In addition, SB 1048 deletes the requirement that the standardized statewide assessment system offer a paper-based administration, and requires that, beginning with the 2023-24 school year, the CPSM be computer-adaptive.

SB 1048 requires the SBE to adopt a new assessment schedule for the CSPM that incorporates the beginning and middle of the year administrations, and the comprehensive end-of-year assessment. SB 1048 requires that, beginning in the 2023-24 school year, assessment results for the end-of-year assessments in ELA and mathematics be made available no later than May 31.

School District Requirements. SB 1048 requires school districts to provide results from district-required local assessments to parents and teachers within one week of the administrations. When reporting the results from the CSPM, SB 1048 requires the results to be easy to comprehend, and must include resources to help parents understand the CSPM system. Further, SB 1048 requires school districts to provide results of the CSPM system in a web-based option for parents and students to securely access student assessment data and review their student's individual student reports. A printed report must also be available upon request.

Assessment Study. SB 1048 requires the commissioner, by January 31, 2025, to make recommendations related to the CSPM system in the following areas, based on a third-party review:

- The validity of using progress monitoring assessments 1 or 2, or both, in place of using the comprehensive end-of-year progress monitoring assessment for accountability purposes.
- Options to reduce the assessment footprint while maintaining valid and reliable data, including the use of computer-adaptive assessments.
- The feasibility of remote administration of assessments.
- Accelerating student progression based on CSPM results.

- Incorporation of state-adopted ELA instructional materials into the CSPM system.
- The impact of the CSPM system on student learning growth data for the purposes of personnel evaluations.

Transition. SB 1048 provides for a 1-year transition period, during which the calculation of school grades and school improvement ratings for the 2022-23 school year are based on the new statewide, standardized assessments. The 2022-23 school grades will serve as an informational baseline for schools to work toward improved performance in future years.

SB 1048 provides hold-harmless provisions relating to school grades or school improvement ratings during the transition. A school will not be required to enter turnaround based on its 2022- 23 school grades, but may exit turnaround with a grade of "C" or higher in that year. A school or provider is not subject to penalties and may not lose a high-performing designation based on 2022-23 school grades. Additionally, school improvement ratings will not be calculated for the 2022-23 school year.

Finally, SB 1048 replaces references to "Next Generation Sunshine State Standards" with "state academic standards."

Parental Rights in Education. House Bill No. 1557 requires district school boards to adopt procedures that comport with certain provisions of law for notifying student's parent of specified information; requires such procedures to reinforce fundamental right of parents to make decisions regarding upbringing and control of their children; prohibits school district from adopting procedures or student support forms that prohibit school district personnel from notifying parent about specified information or that encourage student to withhold from parent such information; prohibits school district personnel from discouraging or prohibiting parental notification & involvement in critical decisions affecting student's mental, emotional, or physical well-being; prohibits classroom discussion about sexual orientation or gender identity in certain grade levels; requires school districts to notify parents of healthcare services; authorizes parent to bring action against school district to obtain declaratory judgment; provides for additional award of injunctive relief, damages, & reasonable attorney fees & court costs to certain parents.

Individual Freedom. House Bill No. 7 provides that subjecting individuals to specified concepts under certain circumstances constitutes discrimination based on race, color, sex, or national origin; revising requirements for required instruction on the history of African Americans; requiring the department to prepare and offer certain standards and curriculum; authorizing the department to seek input from a specified organization for certain purposes; prohibits instructional materials reviewers from recommending instructional materials that contain any matter that contradicts certain principles; requires FLDOE to review school district professional development systems for compliance with certain provisions of law.

Mental Health of Students. House Bill No. 899 ("HB 899") requires that parents of students receiving mental health services be informed of "other behavioral health services available through the student's school or local community-based" providers, requires school districts to designate a mental health coordinator, and requires the FLDOE to provide certain data to the Department of Children and Families. HB 899 is almost entirely an administrative bill that does not affect charter schools, except for one provision in the bill that clarifies that charter schools must comply with the reporting requirement of "involuntary examinations" (i.e., Baker Act) that district schools are subject to. Prior to the passage of this bill, charter schools were already complying with the reporting requirement.

Financial Literacy Instruction. Senate Bill No. 1054 requires the instruction of certain personal financial management such as balancing a checkbook, money management, loan applications, etc. beginning in Grade 9.

2021 Charter School Legislation and Recent Case Law

Below is a brief description of legislation concerning or affecting charter schools in the State that was enacted during the State Legislature's 2021 regular session.

School Choice. House Bill No. 7045 ("HB 7045") was passed during the 2021 State legislative session. HB 7045 merges the State's school choice programs for certain disabled students and expands eligibility for school voucher programs for low- and middle-income students and students subject to harassment, consolidates existing school-choice programs, increases the amount of State funding for the consolidated school-choice programs to $200 million and allows the use of scholarship funds for private school tuition and other expenses such as tutoring, computers, and internet access. The new law took effect on July 1, 2021.

Education Funding and Teacher Pay Raises. Lawmakers passed House Bill 5101 ("HB 5101"). Among other things, HB 5101 (i) requires school districts to offer at least one option for virtual instruction within their school district, (ii) limits the enrollment of virtual FTE students residing outside of the school district to no more than 50% of the total enrolled virtual FTE students residing inside the school district, (iii) modifies the FEFP by eliminating the requirement that the 300 lowest performing elementary schools on the state reading assessment must use their Supplemental Academic Instruction Allocations on an additional hour per day of reading instruction, (iv) repeals the Decline in Full-Time Equivalent Students Allocation and the Virtual Education Contribution, (v) adjusts how annual increases to minimum base salaries of instructional personnel are applied, and (vi) requires school districts to use a specified portion of their ESSER funds to locate unaccounted students within their school districts and to remediate the learning loss among kindergarten to grade 12 students. HB 5101 is effective as of July 1, 2021.

Postsecondary Institutions Serving as Charter School Sponsors. The State Legislature passed Senate Bill 1028 ("SB 1028"), providing for state universities and Florida College System ("FCS") institutions to solicit applications and sponsor charter schools upon approval by the FLDOE. Among other things, SB 1028 also (i) provides that a state university sponsored charter school may serve students from multiple school districts, and an FCS sponsored charter school may serve students from any county within the college's service area; (ii) authorizes charter schools to provide career and professional academies and revises charter school enrollment limitations; (iii) authorizes a charter school that is an exceptional student education center that receives a rating of "maintaining" or higher may replicate its educational program; (iv) bans transgender females from competing in girl's and women's sports; (v) allows a virtual charter school to offer part-time instruction; and (vi) revises the procedures for immediately terminating a charter school. SB 1028 is effective as of July 1, 2021.

Sharing of Local Operating Millage Levy. There is currently pending a consolidated lawsuit brought by certain charter schools seeking to force the School District of Palm Beach County to share a pro rata portion of the proceeds of a 1.0 mill operating levy that was approved by voter referendum in November 2018. While the Circuit Court granted the School District of Palm Beach County's Motion for Summary Judgment in the consolidated case on August 23, 2019, the charter schools appealed and on April 22, 2020 the Fourth District Court of Appeal issued a 2-1 decision in favor of the School Board of Palm Beach County in the case. The plaintiff charter schools then filed a motion for a rehearing *en banc* at the District Court of Appeal and certification of a question of great public importance to the Florida Supreme Court. The motion for rehearing *en banc* with the District Court of Appeal was granted. On February 24, 2021, the *en banc* District Court of Appeal issued a judgment reversing its prior 2-1 decision in favor of the School Board of Palm Beach County, remanded the case back to the Circuit Court and ordered the Circuit Court to enter an order denying the School Board of Palm Beach County's motion for summary judgment and granting the charter schools' motion for summary judgment. The majority opinion of the court found that the 1.0 mill voter approved operating levy constituted a "current operating discretionary millage levy" within the meaning of Section 1002.33(17)(b), Florida Statutes, and was therefore required to be shared with charter schools in the School District of Palm Beach County, despite voter-approved ballot language that specifically excluded charter schools from receiving a portion of the levy. The majority found that ballot language excluding charter schools from sharing in the levy could be severed from the remaining ballot language and the levy could remain in full force and effect. The District Court of Appeal did not address whether the charter schools should receive revenues from the operating levy retroactively, or only prospectively, but instead asked the Circuit Court to conduct any necessary proceedings to address that issue. In the event the ruling is upheld, the charter schools in the subject county would be eligible for receipt of revenues generated from a 1.0 mill operating levy that was approved by voter referendum prior to July 1, 2019.

The full District Court of Appeal, in an effort to preserve the Palm Beach County School Board's ability to appeal the ruling, also certified a question of great public importance to the Florida Supreme Court asking whether a local referendum for additional operational millage pursuant to Section 1011.71, Florida Statutes, could specifically exclude charter schools in the district from sharing in such millage. The Palm Beach County School Board has filed

a Motion for Reconsideration with the District Court of Appeal. Once the District Court of Appeal rules on the Motion for Reconsideration, a decision will be made on whether to pursue an appeal to the Florida Supreme Court. Assuming the appeal is filed with the Florida Supreme Court, it is uncertain whether the Florida Supreme Court will accept jurisdiction and entertain arguments on the case.

2020 Charter School Legislation

Below is a brief description of legislation that was enacted during the State Legislature's 2020 regular session.

Teacher Pay Raises. Lawmakers unanimously passed House Bill 641 (Laws of Fla. 2020-94), which mandates an increase in the base salary paid to full-time classroom teachers and certified prekindergarten teachers. Each school district and charter school will receive money based proportionately on its share of the FEFP.

Expansion of Vouchers and Scholarships for Eligible Private Schools. House Bill 7067 (Laws of Fla. 2020-95) quadruples the rate at which the number of private school vouchers awarded by the State will grow each year. Approximately 28,000 more students are estimated to receive scholarships next year through Florida's Family Empowerment Scholarship Program. See "2018-19 Charter Law Changes" below.

Mandatory Panic Alert Systems. Senate Bill 70 (Laws of Fla. 2020-145, "SB 70") requires every public school to implement a mobile panic alert system that, when activated, will simultaneously alert school staff and first responders to life-threatening campus emergencies. On June 30, 2020, the Governor signed SB 70 into law effective as of July 1, 2020.

Sharing of School Capital Outlay Sales Surtax. House Bill 7097 (Laws of Fla. 2020-10, "HB 7097") requires that school boards proportionately share with eligible charter schools Capital Outlay sales surtaxes levied by the school board and authorized by a vote of the electors on or after July 1, 2020. Charter schools must be eligible for capital outlay funding pursuant to Fla. Stat. s. 1013.62(1) in order to be eligible for capital outlay sales surtax, and such funds must be used by charter schools for only the purposes outlined in Fla. Stat. s. 1013.62(4). On April 8, 2020, the Governor signed HB 7097 into law.

2018-19 Charter School Law Changes

Below is a brief description of legislation that was enacted during the State Legislature's 2018 and 2019 legislative sessions impacting charter schools.

Tax Referendum Funding for School Operations. House Bill 7123 (Laws of Florida 2019-42, "HB 7123") requires that school districts share local tax referendum money for school operational purposes with charter schools based on the charter school's proportionate share of students in the school district for referenda passed after July 1, 2019. HB 7123 was passed to codify a court decision finding that school boards must share local tax referendum money for school operational purposes with charter schools based on the charter school's proportionate share of students in the school district.[*] The impact of HB 7123 on the interpretation or application of local referenda relating to school operational funding that passed prior to July 1, 2019 is unclear at this time. See "BONDHOLDERS' RISKS – Changes in Law; Annual Appropriation; Inadequate State Payments" in the forepart of this Limited Offering Memorandum."

Expansion of Schools of Hope. In 2017, the State Legislature authorized the establishment of charter schools to be known as "Schools of Hope" and the designation of "Hope Operators" to provide students in areas of persistently low-performing schools with a high-quality education option designed to close the opportunity gap and increase student achievement and sets forth certain criteria for establishing Schools of Hope and Hope Operators. Senate Bill 7070 (Laws of Florida 2019-23, "SB 7070") expanded Schools of Hope to include students who reside in a Florida Opportunity Zone. For additional details on schools of choice, see "BONDHOLDERS' RISKS – Competition for Students; School Choice Initiatives" in the forepart of this Limited Offering Memorandum.

[*] House of Representatives Staff Analysis, CS/HB 7123, April 17, 2019, pgs. 1 & 10.

Expansion of Vouchers and Scholarships for Eligible Private Schools. Established as a pilot program in 1999, and subsequently expanded statewide, the program initially provided a scholarship to certain students with disabilities to eligible private schools. The State has subsequently created multiple programs to provide a number of scholarships or vouchers for certain students with special needs, students with disabilities and low-income students to attend private, independent schools. In 2018, House Bill 7055 (Laws of Florida 2018-6) expanded the State's existing voucher program to provide scholarships for victims of bullying beginning with the 2018-19 school year. SB 7070 allocated additional funding for scholarships and vouchers and created the Family Empowerment Scholarship Program, which provides children of families with limited financial resources funding to attend eligible private schools. See "BONDHOLDERS' RISKS – Competition for Students; School Choice Initiatives" in the forepart of this Limited Offering Memorandum.

Emergency Orders Related to COVID-19

In response to the COVID outbreak, the Governor issued an executive order declaring a state of emergency in the State. FLDOE issued Emergency Order No. 2020-EO-06 to provide funding stability for school districts and educational options for parents during the pandemic, including in-person, innovative and virtual instruction. On November 30, 2020, FLDOE issued Executive Order No. 2020-EO-07 (the "Order") to continue to provide additional funding to school districts and offer parents alternative educational options. The Order requires, in part, charters schools to (1) submit a Spring 2021 Education Plan to their sponsoring district by December 15, 2020 in order to receive benefits under the Order; (2) provide in-person instruction five days a week, subsequent to orders from the Florida Department of Health, local departments of health and subsequent executive orders; (3) provide all services required by law, including in-person instruction, specialized instruction and services for students with Individual Educational Plans, and services to low-income families students of migrant workers, homeless students, students in foster care, English Language learners, and other vulnerable populations; (4) share progress monitoring data to FLDOE; (5) continue to provide expanded learning and supplemental interventions and services; and (6) continue to provide services for students with disabilities and English Language Learners.

For charter schools with an approved Spring 2021 Education Plan, school districts must fund their full-time equivalent student in the same manner that the State funds districts with enrollment growth or decreases.

All statutory and rule waivers set forth in the Order for school districts and charter schools are contingent upon an approved Spring 2021 Education Plan.

On February 15, 2021, the Department of Education issued Executive Order No. 2021-EO-01 ("EO-01"), which provides all school districts across the State with expanded testing windows to ensure that every student can be safely tested. The modified testing windows apply to both paper-based testing and computer-based testing for assessments in English Language Arts, reading, writing, mathematics and science. As a result of the extended testing window, the results of State-mandated testing will be released later than the statutory deadlines under Fla. Stat. § 1008.22(7). Grade 3 English Language Arts assessments will be made available no later than June 30, 2021 while the remaining assessment results will be made available no later than July 31, 2021.

APPLICABLE FLORIDA STATUTES

The following is a brief summary of selected provisions contained in current State law applicable to charter schools. It does not purport to address every provision of State law applicable to charter schools. For purposes of the summary below, a local district school board is assumed to be the sponsor of the applicable charter school, unless otherwise noted. See "BONDHOLDERS' RISKS – State Financial Difficulties" and "– Changes in Law; Annual Appropriation; Inadequate State Payments" in the forepart of this Limited Offering Memorandum.

Statutory Background (Fla. Stat. §§ 1002.33(1), (2), (3), (6), & (7)).

State charter schools are guided by three main principles. The first is to be able to meet high standards of student achievement while also providing parents with the flexibility to choose among diverse educational opportunities within the State's public school system. The second is to promote enhanced academic success and financial efficiency by aligning responsibility with accountability. The third is to provide parents with sufficient information regarding their child's learning progress. Based on these principles, charter schools have a duty to fulfill

the following four purposes: (i) improve student learning and academic achievement; (ii) increase learning opportunities for all students, specifically focusing on low-performing students and reading; (iii) encourage the use of innovative learning methods; and (iv) measure student learning outcomes. In addition to these four duties, charter schools may also (i) create innovative measurement tools; (ii) provide rigorous competition within the public school district to stimulate continual improvement in all public schools; (iii) expand the capacity of the public school system; (iv) mitigate the educational impact created by the development of new residential dwelling units; and (v) create new professional opportunities for teachers, including ownership of the learning program at the school site.

In the State, an individual, teachers, parents, a group of individuals, a legal entity organized under the laws of the State, or municipality may apply for a charter using a standard form provided by FLDOE. Applications for designation as a charter school in the State are submitted to the district school board having jurisdiction over the county in which the charter school will be located, or a state university in the case of a charter lab school. A district school board then considers charter school applications received on or before February 1 of each calendar year for charter schools to be opened 18 months later at the beginning of the school district's school year, or to be opened at a time determined by the applicant. A district school board may not refuse to receive a charter school application submitted before February 1 and may receive an application submitted later than February 1 if it chooses.

A district school board by a majority vote shall approve or deny an application no later than 90 calendar days after the application is received, unless the district school board and the applicant mutually agree in writing to temporarily postpone the vote to a specific date. If postponed, the district school board must then approve or deny the application by a majority vote prior to the specified date. Before approving or denying any application, the sponsor shall allow the applicant at least seven calendar days to make technical or nonsubstantive corrections and clarifications, if such errors are identified as cause to deny the application. If the district school board fails to act on the application, an applicant may appeal to the State Board of Education. If an application is denied, the district school board must articulate, in writing, the specific reasons for its denial of the charter application within 10 calendar days after such denial. A denial must be based upon good cause.

An applicant may appeal any denial of that applicant's application or failure to act on an application to the State Board of Education no later than 30 calendar days after receipt of the district school board's decision or failure to act and shall notify the district school board of its appeal. Any response of the district school board shall be submitted to the State Board of Education within 30 calendar days after notification of the appeal. Upon receipt of notification from the State Board of Education that a charter school applicant is filing an appeal, the Commissioner of Education shall convene a meeting of the Charter School Appeal Commission to study and make recommendations to the State Board of Education regarding its pending decision about the appeal. The Charter School Appeal Commission shall forward its recommendations to the State Board of Education at least seven calendar days before the date on which the appeal is to be heard. If the appeal of a denial of an application is submitted by a high-performing charter school or a high-performing charter school system, the State Board of Education must determine whether the district school board properly demonstrated by clear and convincing evidence that the application does not materially comply with the requirements, the charter school proposed in the application does not materially comply with the requirements, the proposed charter school's educational program does not substantially replicate that of the applicant or one of the applicant's high-performing charter schools, the applicant has made a material misrepresentation or false statement or concealed an essential or material fact during the application process, or the proposed charter school's educational program and financial management practices do not materially comply with the requirements. The State Board of Education shall, by majority vote, accept or reject the decision of the district school board no later than 90 calendar days after an appeal is filed in accordance with rules of the State Board of Education. The district school board shall implement the decision of the State Board of Education. The State Board of Education's decision is a final action subject to judicial review in the district court of appeal.

Upon approval of a charter application, the initial startup commences with the beginning of the public school calendar for the district in which the charter is granted. A charter school may defer the commencement of the school's operations for up to two years to provide time for adequate facility planning without reducing the initial five-year term of the charter. A third planning year may also be used, but counts against the initial term of the charter, effectively reducing the five-year term to a four-year term. The terms and conditions for the operation of a charter school shall be set forth by the sponsoring school district and the applicant in a written contractual agreement, the charter. The sponsor is prohibited by statute from imposing unreasonable rules or regulations that

violate the intent of giving charter schools greater flexibility to meet educational goals. The sponsor has 30 days after approval of the application to provide an initial proposed charter contract to the charter school. The applicant and the sponsor then have 40 days to negotiate and notice the charter contract for final approval by the sponsor, unless both parties agree to an extension.

A charter may be modified during its initial term or any renewal term upon the recommendation of the sponsor or the charter school's governing board and the approval of both parties to the agreement. Modification during any term may include, but is not limited to, consolidation of multiple charter school contracts into a single charter if the charter school contract is operated under the same governing board, regardless of the renewal cycle. A charter school that is not subject to a school improvement plan and that closes as part of a consolidation shall be reported by the school district as a consolidation.

Sponsor Duties (Fla. Stat. § 1002.33(5)).

A district school board may sponsor a charter school in the county over which the district school board has jurisdiction. A sponsor may approve a charter school before the applicant has identified the space, equipment, or personnel, if approval is necessary to raise working funds. A sponsor is responsible for monitoring the charter school's revenues and expenditures, ensuring that the charter school is innovative, and monitoring the charter school's progress towards its charter goals and the state's education goals. A sponsor will ensure that the charter school participates in the state's education accountability system and will report any shortcomings in performance to FLDOE. A sponsor will not apply its policies to a charter school unless mutually agreed upon and may not impose additional reporting requirements on a charter school without providing reasonable and specific justification in writing to the charter school. A sponsor must submit an annual report to FLDOE including the number of draft applications, final applications, decision date for each application, and contract execution date for each. The sponsor will not be liable for civil damages under State law for any employment actions taken by an officer, employee, agent, or governing body of the charter school. The sponsor's duties to monitor the charter school will not constitute the basis for a private cause of action. The sponsor shall not be liable for civil damages under state law for personal injury, property damage, or death resulting from an act or omission of an officer, employee, agent, or governing body of the charter school.

Eligible Students (Fla. Stat. § 1002.33(10)).

Charter schools are open to any student residing in the school district in which the charter school is located or in a school district subject to an interdistrict agreement with such district or pursuant to statutory open enrollment provisions. In addition, a charter school may give enrollment preference to (1) a sibling of a student enrolled in the charter school; (2) a child of a member of the governing board of the charter school; (3) a child of an employee of the charter school; (4) a child of (i) an employee of the business partner of a charter school-in-the-workplace or a resident of the municipality in which such charter school is located or (ii) a resident or employee of a municipality that operates a charter school-in-the-municipality or allows a charter school to use a school facility or portion of land provided by the municipality for the operation of the charter school; (5) a student who has successfully completed a voluntary prekindergarten education program under FLA STAT. § 1002.51-1002.79 provided by the charter school or the charter school's governing board during the previous year; (6) a child of an active duty member of any branch of the United States Armed Forces; or (7) a student who attended or is assigned to a failing school.[*] The charter school must enroll all eligible students who submit a timely application, unless the number of applicants exceeds the capacity of the program, class, grade level, or building. In such a case, all applicants must have an equal chance of being admitted through a random selection process.

A charter school may limit enrollment to target the following student populations: students within specific age groups or grade levels; students considered at risk of dropping out of school or academic failure; students enrolling in a charter school-in-the-workplace or charter school-in-a-municipality; students residing within a reasonable distance of a charter school (subject to certain provisions, including random lottery, the racial/ethnic balance provisions, and any federal provisions); students who meet reasonable academic, artistic, or other eligibility standards established by the charter school and included in its application (subject to certain state law and anti-

[*] A public school is considered to be failing if it has earned a grade of an "F" or three consecutive grades of "D" pursuant to Fla. Stat. § 1008.34. See Fla. Stat. § 1002.38.

discrimination provisions); students articulating from one charter school to another pursuant to an articulation agreement between the charter schools which has been approved by the sponsor; or students living in a development in which a business entity has provided school property having an appraised value of at least $5 million to be used as a charter school to mitigate the educational impact created by the development of new residential dwelling units (subject to certain provisions, including random lottery, the racial/ethnic balance provisions, any federal provisions and students living in the development will be entitled to no more than 50 percent of the students in the charter school).

A student may withdraw from a charter school at any time and enroll in another public school as determined by district school board rule.

A charter school's capacity is determined annually by its governing board, in conjunction with its sponsor, provided that a high-performing charter school identified pursuant to FLA STAT. § 1002.331 shall be determined annually by the governing board of the charter school. The governing board shall notify the sponsor of any increase in enrollment by March 1 of the school year preceding the increase.

Operation of the Charter Schools (Fla. Stat. § 1002.33(9)).

Generally, a charter school shall not charge tuition or registration fees, except those fees normally charged by other public schools, and will be nonsectarian in its programs, admission policies, employment practices and operations. A charter school will meet all applicable state and local health, safety, and civil rights requirements and will not violate antidiscrimination provisions in Fla. Stat. § 1000.05. A charter school submits an annual progress report to its sponsor which includes, among other elements: student achievement performance data, including the information required from public schools, with reasons identified for any difference between projected and annual student performance; financial status of the charter school, which must include revenues and expenditures at a level of detail that allows for analysis of the charter school's ability to meet financial obligations and timely repayment of debt; documentation of the facilities in current use and any planned facilities for use by the charter school for instruction of students, administrative functions, or investment purposes; and descriptive information about the charter school's personnel, including salary and benefit levels of charter school employees, the proportion of instructional personnel who hold temporary certificates, and the proportion of instructional personnel teaching in-field or out-of-field. Charter schools must also provide an annual financial report and program cost report in the format required by FLDOE and provide such information to the applicable school board. The governing board of the charter school will annually adopt and maintain an operating budget. The governing board of the charter school will be responsible for ensuring that the charter school has retained the services of a certified public accountant or auditor; reviewing and approving the audit report; and performing other duties specified in State law, including monitoring any corrective action plan. In order to provide financial information that is comparable to that reported for other public schools, charter schools are to maintain all financial records that constitute their accounting system: (a) in accordance with the accounts and codes prescribed in the most recent issuance of the publication entitled "Financial and Program Cost Accounting and Reporting for Florida Schools"; or (b) at the discretion of the charter school's governing board, a charter school may elect to follow generally accepted accounting standards for not-for-profit organizations, but must reformat this information for reporting to the State and sponsor in the governmental funds format prescribed by the Governmental Accounting Standards Board.

A charter school shall, upon approval of the charter contract, provide the sponsor with a concise, uniform, monthly financial statement summary sheet that contains a balance sheet and a statement of revenue, expenditures, and changes in fund balance. The balance sheet and the statement of revenue, expenditures, and changes in fund balance shall be in the governmental funds format prescribed by the Governmental Accounting Standards Board. A high-performing charter school may provide a quarterly financial statement in the same format and requirements as the uniform monthly financial statement summary sheet.

Determination of Deteriorating Financial Conditions and Financial Emergencies (Fla. Stat. § 1002.345).

The sponsor shall review each monthly or quarterly financial statement to identify the existence of certain conditions relating to deteriorating financial conditions and financial emergencies. A charter school is subject to an expedited review by the sponsor if one of the following conditions occurs: (a) failure to provide for an audit; (b)

failure to comply with certain reporting requirements pursuant to Fla. Stat. §§ 1002.33(9) or 1002.34(11)(f) or (14); (c) a deteriorating financial condition identified through an annual audit, a monthly financial statement or a quarterly financial statement; or (d) failure to make certain payments under Fla. Stat. § 218.503(1). The governing board and the sponsor shall develop a corrective action plan and file the plan with the Commissioner of Education within 30 business days after notification that one of the conditions described in this paragraph occurs. If the governing board fails to implement the corrective action plan within 1 year after one or more of the conditions occur, the State Board of Education shall prescribe any steps necessary for the charter school to comply with state requirements. If the charter school is found to be in state of financial emergency by failing to make on the payments described in (d) above, the charter school will file a financial recovery plan with the sponsor and the Commissioner of Education within 30 days after being notified by the Commissioner of Education that a financial recovery plan is needed. The sponsor may decide not to renew or may terminate a charter if the charter school fails to correct the deficiencies noted in the corrective action plan within 1 year after being notified of the deficiencies or exhibits one or more financial emergency conditions for 2 consecutive years.

Renewal and Termination of the Charter (Fla. Stat. § 1002.33(8) & (9)).

A charter may be renewed provided that a program review demonstrates that the criteria in Fla. Stat. 1002.33(7) have been successfully accomplished and that the Sponsor has not found any of the grounds for nonrenewal established by Fla. Stat. § 1002.33(8)(a) by clear and convincing evidence. In order to facilitate long-term financing for charter school construction, charter schools operating for a minimum of 3 years and demonstrating exemplary academic programming and fiscal management are eligible for a 15-year charter renewal, which is subject to annual review and may be terminated during the term of the charter. A 15-year charter renewal shall be granted to a charter school that has received a school grade of "A" or "B" pursuant to Fla. Stat. § 1008.34 in 3 of the past 4 years and is not in a state of financial emergency or deficit position as defined by Fla. Stat. § 1002.33. Such long-term charter is subject to annual review and may be terminated during the term of the charter.

The sponsor shall make student academic achievement for all students the most important factor when determining whether to renew or terminate the charter. The sponsor may also choose to terminate or not to renew the charter if the sponsor finds that one of following reasons exists by clear and convincing evidence: (i) failure to participate in the State's educational accountability system or failure to meet the requirements of student performance stated in the charter; (ii) failure to meet generally accepted standards of fiscal management; (iii) material violation of law; and (iv) other good cause shown. The sponsor must provide written notification to the governing body of the charter school at least 90 days prior to renewing, not renewing, or terminating a charter on the grounds for the proposed action. The governing body of the proposed charter school may request a hearing within 14 calendar days after receiving the notice. After receiving a request for a hearing, an administrative law judge assigned by the Division of Administrative Hearings must conduct a hearing within 90 days after receipt of the request and submit a final order to the sponsor. The judge shall award the prevailing party reasonable attorney's fees and costs incurred during the administrative proceeding and any appeals.

After receiving the final order to terminate or to refuse to renew the charter, the charter school's governing body may appeal the decision within 30 calendar days pursuant to Fla. Stat. §120.68. However, a sponsor may terminate a charter immediately if the sponsor sets forth in writing the particular facts and circumstances indicating an immediate and serious danger to the health, safety, or welfare of the charter school's students exists. After receiving the sponsor's decision to immediately terminate the charter, the charter school's governing body has 10 calendar days to request a hearing. In such a case, the sponsor shall assume operation of the school throughout the pendency of the hearing, unless the continued operation of the charter school would materially threaten the health, safety, or welfare of the students. The requested hearing must be expedited and the final order must be issued within 60 days after the date of the request.

Schools are graded by the State Board of Education and are awarded one of five possible grades, pursuant to Fla. Stat. §1008.34. Each school receives a grade based on the school's performance on the following components: (i) The percentage of eligible students passing statewide, standardized assessments in English Language Arts; (ii) The percentage of eligible students passing statewide, standardized assessments in mathematics; (iii) The percentage of eligible students passing statewide, standardized assessments in science; (iv) The percentage of eligible students passing statewide, standardized assessments in social studies; (v) The percentage of eligible students who make Learning Gains in English Language Arts as measured by statewide, standardized assessments;

(vi) The percentage of eligible students who make Learning Gains in mathematics as measured by statewide, standardized assessments; (vii) The percentage of eligible students in the lowest 25 percent in English Language Arts, as identified by prior year performance on statewide, standardized assessments, who make Learning Gains as measured by statewide, standardized English Language Arts assessments; (viii) The percentage of eligible students in the lowest 25 percent in mathematics, as identified by prior year performance on statewide, standardized assessments, who make Learning Gains as measured by statewide, standardized Mathematics assessments; (ix) For schools comprised of middle grades 6 through 8 or grades 7 and 8, the percentage of eligible students passing high school level statewide, standardized end-of-course assessments or attaining national industry certifications identified in the CAPE Industry Certification Funding List.

Based on the school's academic performance in the above categories, a school may be awarded one of the following five grades: (i) "A," schools making excellent progress; (ii) "B," schools making above average progress; (iii) "C," schools making satisfactory progress; (iv) "D," schools making less than satisfactory progress; or (v) "F," schools failing to make adequate progress. Each school that earns a grade of "A" or improves at least two letter grades may have greater authority over the allocation of the school's total budget generated from the FEFP, state categoricals, lottery funds, grants, and local funds. FLDOE shall annually develop, in collaboration with the school districts, a school report card to be provided by the school district to parents within the district. The report card shall include the school's grade; student performance in English Language Arts, mathematics, science, and social studies; information regarding school improvement; an explanation of school performance as evaluated by the Elementary and Secondary Education Act; and indicators of return on investment. Each school's report card shall be published annually by the department on its website based upon the most recent data available.

If a charter school receives three consecutive grades below a "C," its governing board must choose one of the following corrective actions: (i) contract for educational services to be provided directly to students, instructional personnel, and school administrators, as prescribed in state board rules; (ii) contract with an outside entity that has a demonstrated record of effectiveness to operate the school; (iii) reorganize the school under a new director or principal who is authorized to hire new staff; or (iv) voluntarily close the charter school. The charter school must implement the corrective action in the school year following receipt of a third consecutive grade below a "C." Notwithstanding, the school's sponsor may waive a corrective action if it determines the charter school is likely to improve a letter grade if additional time is provided to implement the intervention and support strategies prescribed by the school improvement plan. A charter school is no longer required to implement a corrective action if it improves to a "C" or higher but must continue to implement strategies identified in the school improvement plan, subject to annual review by its sponsor. A charter school implementing a corrective action that does not improve to a "C" or higher after 2 full school years of implementing the corrective action must select a different corrective action. Implementation of the new corrective action must begin in the school year following the implementation period of the existing corrective action, unless the sponsor determines that the charter school is likely to improve to a "C" or higher if additional time is provided to implement the existing corrective action. Notwithstanding this paragraph, a charter school that earns a second consecutive grade of "F" while implementing a corrective action is subject to the paragraph below.

A charter school's charter contract is automatically terminated if the school earns two consecutive grades of "F" after all school grade appeals are final unless: (a) the charter school is established to turn around the performance of a district public school pursuant to Fla. Stat. § 1008.33(4)(b)(2); (b) the charter school serves a student population the majority of which resides in a school zone served by a district public school that earned two consecutive grades of "D" or a grade of "F" in the year before the charter school opened and the charter school earns at least a grade of "D" in its third year of operation (this exception does not apply to a charter school in its fourth year of operation and thereafter); or (c) the state board grants the charter school a waiver of termination. The charter school must request the waiver within 15 days after FLDOE's official release of school grades. The State Board of Education may waive termination if the charter school demonstrates that the Learning Gains of its students on statewide assessments are comparable to or better than the Learning Gains of similarly situated students enrolled in nearby district public schools. The waiver is valid for 1 year and may only be granted once. Charter schools that have been in operation for more than 5 years are not eligible for a waiver.

Upon non-renewal or termination of a charter, (i) the school shall be dissolved under the provisions of law under which the school was organized, (ii) any unencumbered public funds, except for capital outlay funds and federal charter school program grant funds, from the charter school revert to the sponsor, (iii) capital outlay funds

and federal charter school program grant funds that are unencumbered revert to FLDOE for redistribution among eligible charter schools; and (iv) all district school board property, improvements, furnishings and equipment purchased with public funds revert to full ownership by the district school board, subject to complete satisfaction of any lawful liens or encumbrances. Any unencumbered public funds from the charter school, district school board property and improvements, furnishings, and equipment purchased with public funds, or financial or other records pertaining to the charter school, in the possession of any person, entity, or holding company, other than the charter school, shall be held in trust upon the district school board's request, until any appeal status is resolved.

If a charter is not renewed or is terminated, the charter school is responsible for all debts of the charter school. The district may not assume the debt from any contract made between the governing body of the school and a third party, except for a debt that is previously detailed and agreed upon in writing by both the district and the governing body of the school and that may not reasonably be assumed to have been satisfied by the district.

Exemptions from Statutes (Fla. Stat. §§ 1002.33(16)).

A charter school is to operate in accordance with its charter and will be exempt from all statutes in chapters 1000-1013 of the Florida Statutes, except a charter school will be in compliance with statutes in chapters 1000-1013 pertaining to the following: (i) charter school specific statutes; (ii) student assessment and school grading; (iii) student disability services; (iv) civil rights and discrimination; and (v) student health, safety, and welfare. Additionally, a charter school must be compliant with the following statutes: (i) Section 286.011, relating to public meetings and records, public inspection, and criminal and civil penalties; (ii) Chapter 119, relating to public records; (iii) Section 1003.03, relating to the maximum class size, *except* that the calculation for compliance pursuant to Section 1003.03 will be the average at the school level; (iv) Section 1012.22(1)(c), relating to compensation and salary schedules; (v) Section 1012.33(5), relating to workforce reductions; (vi) Section 1012.335, relating to contracts with instructional personnel hired on or after July 1, 2011; (vii) Section 1012.34, relating to the substantive requirements for performance evaluations for instructional personnel and school administrators; and (viii) Section 1002.33(16)(b)8-14 relating to compliance with safety concerns and mental health awareness and assistance training.

Charter schools are required to follow the maximum number of students allowed under Fla. Stat. § 1003.03, but are measured on such limits as an average at the school level rather than at the individual classroom level. Pursuant to Sections 1003.03(1)(a)-(c), each year, on or before the October student membership survey, the following class size maximums shall be satisfied: (a) the maximum number of students assigned to each teacher who is teaching core-curricula courses* for prekindergarten through grade 3 may not exceed 18; (b) the maximum number of students to each teacher who is teaching core-curricula courses for grades 4 through 8 may not exceed 22 students; and (c) the maximum number of students assigned to each teacher who is teaching a core-curricula course for grades 9 through 12 may not exceed 25 students. These maximums shall be maintained after the October student membership survey, except if the district school board determines it to be impractical, educationally unsound, or disruptive to student learning to not assign the student to the class or due to an extreme emergency beyond the control of the district school board.

Operating Revenues (Fla. Stat. §§ 1002.33(14), (17), (18) & (20)).

Students enrolled in a charter school are funded as if they are in a basic program or a special program, the same as students enrolled in other public schools in the district. Any arrangement entered into to borrow or otherwise secure funds for a charter school authorized in Fla. Stat. § 1002.33 from a source other than the state or a school district shall indemnify the State and the school district from any and all liability, including, but not limited to, financial responsibility for the payment of the principal or interest. Any loans, bonds, or other financial agreements are not obligations of the State or the school district, but are obligations of the charter school and are payable solely from the sources of funds pledged by such agreement. The credit or taxing power of the State or the school district shall not be pledged and no debts shall be payable out of any moneys except those of the legal entity in possession of a valid charter approved by a district school board pursuant to Fla. Stat. § 1002.33.

* Core curricula courses for class size reduction include the following areas: Mathematics, Language Arts/Readings, Science, Social Studies, and science in prekindergarten through grade 3; subjects measured by state assessment at any grade level and courses required for middle school promotion in grades 4 through 8; subjects measured by state assessment at any grade level and courses that are specifically identified by statute as required for high school graduation that are not measured by state assessment in grades 9 through 12; Exceptional Student Education courses; and English for Speakers of Other Languages.

Funding for charter schools is provided based on a weighted "full-time equivalent" student basis. Each charter school is required to report its student enrollment to the school district in which it resides and the charter school's students are included within the district school board's report on student enrollment. The sum of the school district's operating funds from the FEFP described in Fla. Stat. § 1011.62 and the Florida General Appropriations Act, including gross state and local funds, discretionary lottery funds, and funds from the school district's current operating discretionary millage levy, is then divided by the total number of weighted full-time equivalent ("Weighted FTE") students in the district. That amount, when multiplied by the total number of Weighted FTE students in a charter school, will provide the Weighted FTE entitlement for the charter school.

Charter schools whose students or programs meet the eligibility criteria in law are entitled to their proportionate share of categorical program funds included in the total funds available in the FEFP by the State Legislature, including transportation, the research-based reading allocation, and the State digital classrooms allocation. Total funding for each charter school shall be recalculated during the year to reflect the revised calculations under the FEFP by the State and the actual Weighted FTE students reported by the charter school during the full-time equivalent student survey periods designated by the Commissioner of Education. For charter schools operated by a not for profit or municipal entity, any unrestricted current and capital assets identified in the charter school's annual financial audit may be used for other charter schools operated by the not for profit or municipal entity within the school district.

All charter schools shall receive all federal funding for which the school is otherwise eligible, including Title I funding, not later than 5 months after the charter school first opens and within 5 months after any subsequent expansion of enrollment. Unless otherwise mutually agreed to by the charter school and its sponsor, and consistent with State and federal rules and regulations governing the use and disbursement of federal funds, the sponsor shall reimburse the charter school on a monthly basis for all invoices submitted by the charter school for federal funds available to the sponsor for the benefit of the charter school, the charter school's students, and the charter school's students as public school students in the school district. Such federal funds include, but are not limited to, Title I, Title II, and IDEA funds. To receive timely reimbursement for an invoice, the charter school must submit the invoice to the sponsor at least 30 days before the monthly date of reimbursement set by the sponsor.

Charter schools shall be included by FLDOE and the district school board in requests for federal stimulus funds in the same manner as district school board-operated public schools, including Title I and IDEA funds and shall be entitled to receive such funds. Moreover, charter schools are eligible to participate in federal competitive grants that are available as part of the federal stimulus funds. Fla. Stat. § 1002.33(17)(d).

District school boards must make timely and efficient payment and reimbursement to charter schools, including processing paperwork required to access special state and federal funding for which they may be eligible. Payments of funds under the paragraph above shall be made monthly or twice a month, beginning with the start of the district school board's fiscal year. Each payment shall be one-twelfth, or one twenty-fourth, as applicable, of the total state and local funds described in and adjusted as set forth in the paragraph above. For the first 2 years of a charter school's operations, if a minimum of 75 percent of the projected enrollment is entered into the district school's student information system by the first day of the current month, the district school board may distribute funds to a charter school for the months of July through October based on the projected full-time equivalent student membership of the charter school. If less than 75 percent of the projected enrollment is entered into the sponsor's student information system by the first day of the current month, the sponsor shall base payments on the actual number of student enrollment entered into the sponsor's student information system. Thereafter, the results of full-time equivalent student membership surveys are used to adjust the amount of funds distributed monthly to the charter school for the remainder of the fiscal year. The payments are required to be issued to the charter school no later than 10 working days after the district school board receives a distribution of state or federal funds or the date the payment is due. If a warrant for payment is not issued within 10 working days after receipt of funding by the district school board, the school district must pay to the charter school, in addition to the amount of the scheduled disbursement, interest at a rate of one percent per month calculated on a daily basis on the unpaid balance from the expiration of the 10 working days until such time as the warrant is issued. The district school board may not delay payment to a charter school of any portion of the funds provided in the paragraph above based on the timing of receipt of local funds by the district school board.

Charter school facilities are exempt from assessments of fees for certain building permits, fees for building and occupational licenses, impact fees or exactions, service availability fees, and assessments for special benefits. Fla. Stat. § 1002.33(18)(d). Charter schools, with the exception of conversion charter schools, are not required to comply, but may choose to comply, with the State Requirements for Educational Facilities of the Florida Building Code. The local governing authority shall not adopt or impose any local building requirements or site-development restrictions, such as parking and site-size criteria, student enrollment, and occupant load, which are addressed by and more stringent than those found in the State requirements for Educational Facilities of the Florida Building Code. A local governing authority must treat charter schools equitably in comparison to similar requirements, restrictions, and site planning processes imposed upon public schools that are not charter schools. The agency having jurisdiction for inspection of a facility and issuance of a certificate of occupancy or use shall be the local municipality or, if in an unincorporated area, the county governing authority. If an official or employee of the local governing authority refuses to comply with this paragraph, the aggrieved school or entity has an immediate right to bring an action in circuit court to enforce its rights by injunction. An aggrieved party that receives injunctive relief may be awarded attorney fees and court costs. A charter school shall use facilities that comply with the Florida Fire Prevention Code. Any facility, or portion thereof, used to house a charter school whose charter has been approved by the sponsor and the governing board, pursuant to State charter school laws is exempt from ad valorem taxes and may be exempt from non-ad valorem taxes that also constitute impact fees or exactions, service availability fees or assessments for special benefits. Library, community service, museum, performing arts, theatre, cinema, church, Florida College System institution, college, and university facilities may provide space to charter schools within their facilities under their preexisting zoning and land use designations without obtaining a special exception, rezoning, or a land use change.

A sponsoring school district is required to provide certain administrative and educational services to charter schools. These services include but are not limited to contract management services; full-time equivalent and data reporting services; exceptional student education administration services; certain National School Lunch Program services; test administration services (including the payment of the costs of state-required or district-required student assessments); processing of teacher certificate data services; and information services, including equal access to student information systems that are used by public schools in the district in which the charter school is located.

A sponsor may withhold an administrative fee for the provision of such services of up to (i) five percent of available funds (calculated based on Weighted FTE students) for charter schools with enrollment up to and including (a) 250 students; (b) 500 students within a system of charter schools which includes both conversion schools and non-conversion charter schools, has all schools located in the same county, has a total enrollment exceeding the total enrollment of at least one school district in the state, has the same governing board for all its schools, and does not contract with a for-profit service provider for management of school operations; or (c) 250 students in a virtual charter school, or (ii) two percent of available funds (calculated based on Weighted FTE students) for enrollment up to and including 250 students in a high-performing charter school. Sponsors may not charge charter schools any additional fees or surcharges for administrative and educational services in addition to the maximum percentage of administrative fees described in this paragraph. A sponsor may not charge charter schools any additional fees or surcharges for administrative and educational services in addition to the maximum percentage of administrative fees withheld pursuant to this paragraph. If goods and services are made available to the charter school through the contract with the school district, they shall be provided to the charter school at a rate no greater than the district's actual cost unless mutually agreed upon by the charter school and the sponsor in a contract negotiated separately from the charter.

Charter School Requirements (Fla. Stat. § 1002.33(9)).

Each charter school shall maintain a website that enables the public to obtain information regarding the school; the school's academic performance; the names of the governing board members; the programs at the school; any management companies, service providers, or education management corporations associated with the school; the school's annual budget and its annual independent fiscal audit; the school's grade; and, on a quarterly basis, the minutes of governing board meetings.

Capital Outlay Revenues (Fla. Stat. §§ 1002.33(19), 1013.62).

Charter schools are eligible for capital outlay funds pursuant to Fla Stat. §§ 1011.71(2) and 1013.62. If a charter school serves students in facilities not provided by the charter school's sponsor, the charter school may be eligible to receive funds appropriated by the State Legislature for charter school capital outlay purposes. To be eligible for such funding, a charter school must (i) have been in operation for at least two years; (ii) be governed by a governing board established in the state for two or more years which operates both charter schools and conversion charter schools within the state; (iii) be an expanded feeder chain of a charter school within the same district that is currently receiving capital outlay funds; (iv) have been accredited by a regional accrediting association as defined by the State Board of Education; or (v) serve students in facilities that are provided by a business partner for a charter school-in-the-workplace. The charter school must also have an annual audit that does not reveal any financial emergency conditions for the most recent fiscal year for which such audit results are available, have satisfactory student achievement based on state accountability standards applicable to the charter school, serve students in facilities that are not provided by the charter school's sponsor, and have received final approval from its sponsor for operation during that fiscal year. The State Legislature's appropriation of charter school capital outlay funding is meant to reduce the burden on school districts that levy the discretionary millage authorized by Section 1011.71(2), Florida Statutes ("Local Capital Millage"), by providing a capital outlay appropriation for charter school buildings and other long-term expenses for eligible charter schools. The State's funding level for fiscal year 2018-19[*] will be a benchmark for the charter school capital outlay, and no charter schools are eligible for a proportionate share of the Local Capital Millage for the 2018-19 fiscal year. For fiscal years 2019-20 and 2020-21, the State Legislature appropriated 100% of the required capital outlay funding. No assurance can be given that the State will continue to allocate sufficient State funds in future years. See "BONDHOLDERS' RISKS – Changes in Law; Annual Appropriation; Inadequate State Payments" and "– Risks Related to Infectious Viruses and/or Diseases" forepart of this Limited Offering Memorandum. For future years, if a school district levies the Local Capital Millage, eligible charter schools cannot receive a proportionate share of the Local Capital Millage unless the State Legislature does not appropriate at least the same average charter school capital outlay funds per Unweighted FTE student as in fiscal year 2018-19, adjusted for changes in the Consumer Price Index issued by the United States Department of Labor from the previous fiscal year.

Student Accountability (Fla. Stat. §§ 1002.33(7), (23), 1008.22(3)).

A charter school is required to participate in Florida's State Accountability System testing. State schools are assigned a grade primarily based upon student achievement data from the Florida Standards Assessments ("FSA"). School grades are calculated based on annual learning gains of each student, toward achievement of the Florida Standards and the Next Generation Sunshine State Standards ("NGSSS"), the progress of the lowest quartile of students, and the meeting of proficiency standards. Students in charter schools are required to, at a minimum, participate in the statewide assessment program, FSA, created under Fla. Stat. § 1008.22**.** The FSA assessments are criterion-references tests that are intended to measure whether students have made progress on the English Language Arts Florida Standards, the Mathematics Florida Standards, the NGSSS Science Standards, and the NGSSS Social Studies Standards. Florida law requires FLDOE to prepare an annual analysis of student achievement in charter schools against the achievement of comparable-age students in traditional public schools. Results from the annual analysis indicate that in 2015-16, 2016-17 and 2017-18 a greater percentage of students attending charter schools are proficient in English Language Arts, Mathematics, Science, and Social Studies than students in traditional public schools.[†] Accountability results show that 51% of charter schools, as compared to 32% of traditional public schools, received an "A" school grade for the 2019-20 school year.[‡]

High Performing Charter Schools (Fla. Stat. §§ 1002.33(20), 1002.331(1) & 1002.332).

In 2011, the State Legislature passed the High Performing Charter School Bill to encourage replication of high performing charter schools. A charter school is a high-performing charter school ("HPCS") if it (a) received at least two school grades of "A" and no school grades below "B" during each of the previous three school years or

[*] Visit http://www.fldoe.org/finance/fco/charter-school-capital-outlay/ to see the Charter School Capital Outlay for 2018-19.

[†] Information is provided by the Florida Department of Education's 2017-18 reports, *Student Achievement in Florida's Charter Schools: A Comparison of the Performance of Charter School Students with Traditional Public School Students*.
Source: http://www.fldoe.org/core/fileparse.php/7778/urlt/SAR1819.pdf.

[‡] Visit http://www.fldoe.org/accountability/accountability-reporting/school-grades/ to see Florida School Grades – 2019-20.

two consecutive grades of "A" in the most recent 2 school years, (b) received an unqualified opinion on each annual financial audit in the most recent three fiscal years for which such audits are available, and (c) did not receive a financial audit that revealed one or more of the financial emergency conditions set forth in Fla. Stat. §218.503(1) in the most recent three fiscal years for which such audits are available. For purposes of determining initial eligibility, the requirements of paragraphs (b) and (c) only apply for the most recent 2 fiscal years if the charter school earns two consecutive grades of "A."

A high performing charter school system is an entity that operated at least three high-performing charter schools in the state during each of the previous 3 school years and operated a system of charter schools in which at least 50 percent of the charter schools were high-performing charter schools and no charter school earned a school grade of "D" or "F" in any of the previous 3 school years regardless of whether the entity currently operates the charter school. Exceptions exist when an entity has assumed operation of a public school with a grade of "F" or established a new charter school serving a student population the majority of which resides in a school zone served by a public school that earned an "F" grade or three consecutive "D" grades.

HPCSs may (i) increase student enrollment once per school year to more than the capacity identified in the charter without exceeding its facility capacity, (ii) expand grade levels within grades K-12 to add grade levels not already served if any annual enrollment increase resulting from such expansion is within the limit established in (i), (iii) submit quarterly financial statements to its sponsor instead of monthly financial statements, (iv) consolidate multiple HPCSs operated in the same school district under a single charter regardless of the renewal cycle and (v) receive a modification of its charter to a term of 15 years or a 15-year charter renewal. None of the above exempts HPCSs from annual review by its sponsor(s) and its charter(s) may still be terminated. Additionally, the administrative fee charged by a sponsor has been reduced for HPCSs to two percent for the first 250 students per school. A HPCS may submit an application in any school district in the state to establish and operate a new charter school that will substantially replicate its educational program; provided, however, a HPCS may not establish more than two charter schools in any one year.

Restrictions on Employment of Relatives (Fla. Stat. § 1002.33(24)).

Charter schools operated by a private entity must comply with certain restrictions on employment of charter school personnel's relatives. Charter school personnel may not appoint, employ, promote, or advance, or advocate for appointment, employment, promotion, or advancement, in or to a position in the charter school in which the personnel are serving or over which the personnel exercises jurisdiction or control any individual who is a relative. An individual may not be appointed, employed, promoted, or advanced in or to a position in a charter school if such appointment, employment, promotion, or advancement has been advocated by charter school personnel who serve in or exercise jurisdiction or control over the charter school and who is a relative of the individual or if such appointment, employment, promotion, or advancement is made by the governing board of which a relative of the individual is a member. Relative includes father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister. The approval of budgets does not constitute "jurisdiction or control" for the purposes of this subsection.

Standards of Conduct and Financial Disclosure (Fla. Stat. §§ 1002.33(26)).

A member of a governing board of a charter school, including a charter school operated by a private entity, is subject to certain state statutes governing standards of conduct and financial disclosures. A member may not solicit or accept anything of value based on any understanding that this valuable is meant to influence the recipient. A member acting in their official capacity may not do business with an entity that the member, his or her spouse, or his or her child has a material interest in, nor may a member enter into a conflicting employment or contractual relationship; however, these limitations may be waived in particular instances for persons serving on advisory boards. A member may not vote in an official capacity on any measure which would inure to his or her special private gain or loss or the special private gain or loss of any principal whom he or she has retained. A member may be required to file a disclosure of financial interests. An employee of the charter school, or his or her spouse, or an employee of a charter management organization, or his or her spouse, may not be a member of the governing board of the charter school.

APPENDIX F
FORMS OF CERTAIN FINANCING DOCUMENTS

APPENDIX G
FORMS OF OPINIONS OF BOND COUNSEL

APPENDIX H
FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX I
FORM OF INVESTOR LETTER

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

$[XXX]
Lee County Industrial Development Authority
Industrial Development Authority Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023A

$[YYY]
Lee County Industrial Development Authority
Taxable
Industrial Development Authority Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023B

BOND PURCHASE AGREEMENT

[Pricing Date]

Lee County Industrial Development Authority
c/o Knott Ebelini Hart
1625 Hendry Street, Suite 301
Fort Myers, Florida 33901

Lee County Community Charter Schools, LLC
Southwest Charter Foundation, Inc.
800 Corporate Drive, Suite 700
Fort Lauderdale, Florida 33334

Red Apple at Manatee, LLC
Red Apple at Gateway EXP, LLC
800 Corporate Drive, Suite 124
Fort Lauderdale, Florida 33334

Charter Schools USA, Inc.
800 Corporate Drive, Suite 124
Fort Lauderdale, Florida 33334

Ladies and Gentlemen:

Herbert J. Sims & Co., Inc. (the "Underwriter") hereby offers to purchase, upon the terms and conditions hereinafter specified, the Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX] (the "Series 2023A Bonds") and the Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY] (the "Series 2023B Bonds" and together with the Series 2023A Bonds, the "Series 2023 Bonds"), to be issued by the Lee County Industrial Development Authority (the "Issuer"). Upon acceptance of this offer by all of you, this Bond Purchase Agreement (the "Agreement") will be binding upon all of us. This offer will expire at 7:00 p.m. eastern time, on [Pricing Date].

Section 1. **General**. The Series 2023 Bonds will be dated their date of issue, and will be issued and secured pursuant to an Indenture of Trust, dated as of April 1, 2007 as supplemented by and through the Second Supplemental Indenture dated as of November 1, 2023 (collectively, the "Indenture"), each by and between the Issuer and Regions Bank, as trustee (the "Trustee"). The proceeds of the Bonds are being loaned by the Issuer to Lee County Community Charter Schools, LLC (the "Borrower"), a Florida limited liability company, the sole member of which is Southwest Charter Foundation, Inc. (the "Foundation"), a not-for-profit corporation duly organized and existing under the laws of the State of Florida, to (i) finance or refinance the costs of constructing and equipping additional improvements to certain of the Facilities (defined herein) as described in more detail herein (collectively, the "2023 Project"), (ii) make deposits to the Series 2023 Subaccounts of the Debt Service Reserve Fund, and (iii) pay certain costs of issuance.

The Issuer has previously issued its $80,250,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2007A (the "Series 2007 Bonds"), currently outstanding in the aggregate principal amount of $[57,200,000] and its $20,685,000 Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects) Series 2012A (the "Series 2012 Bonds"), currently outstanding in the aggregate principal amount of $[18,615,000].

The proceeds of the Series 2012 Bonds were loaned by the Issuer to the Borrower to be applied to (i) refinance certain taxable indebtedness (the "Prior Debt"), which was incurred to finance certain charter school facilities for Gateway Intermediate Charter School, a grades 5-8 charter school, and an additional parcel of land adjacent to the site on which Gateway Charter Elementary School is located (such additional parcel of land referred to herein as the "Gateway Expansion"), (ii) finance the costs of acquiring, constructing and equipping certain charter school facilities for Manatee Charter School (together with Gateway Intermediate Charter School, the "2012 Facilities" or the "Subleased Facilities") located within Manatee County, Florida, the land on which Manatee Charter School is located (together with the Gateway Expansion, the "2012 Sites") and improvements thereto (the assets described in clauses (i) and (ii) collectively referred to as the "2012 Project"), (iii) make a deposit to the Debt Service Reserve Fund with respect to the Series 2012 Bonds, (iv) fund capitalized interest with respect to the Series 2012 Bonds, and (v) pay certain costs of issuance of the Series 2012 Bonds.

The proceeds of the Series 2007 Bonds were loaned by the Issuer to the Borrower to finance the costs of (i) acquiring certain charter school facilities, together with all additions and improvements thereto (collectively, the "2007 Facilities" or the "Leased Facilities"), including the land on which such facilities are located, and paying or reimbursing certain costs in connection with those facilities (the "2007 Project"), (ii) funding the Debt Service Reserve Fund with respect to the Series 2007 Bonds, (iii) providing certain working capital requirements for the 2007 Project, (iv) providing capitalized interest with respect to the Series 2007 Bonds, and (v) paying certain costs of issuance of the Series 2007 Bonds.

The Subleased Facilities and the Leased Facilities are collectively referred to herein as the "Facilities."

The Series 2023 Bonds are being issued as additional bonds under the Indenture and will be secured on parity with the Series 2007 Bonds and Series 2012 Bonds (together with the Series 2023 Bonds, the "Bonds").

Pursuant to the Loan Agreement, the Issuer will loan the proceeds of the Series 2023 Bonds to the Borrower. In the Loan Agreement, the Borrower covenants to repay the funds borrowed from the Issuer, together with interest thereon, in installments which will be sufficient to pay, when due, the principal of and interest on the Bonds.

The "Schools" are Gateway Charter Elementary School, Gateway Intermediate Charter School, Gateway Charter High School, Mid Cape Global Academy f/k/a Cape Coral Charter School, Six-Mile Charter Academy and the Manatee Charter School. The Foundation holds a separate Charter School Contract from The School Board of Lee County, Florida for each of (i) Gateway Charter Elementary School, Gateway Intermediate Charter School, Gateway Charter High School, (ii) Mid Cape Global Academy f/k/a Cape Coral Charter School and (iii) Six-Mile Charter Academy, and a Charter School Contract from The School Board of Manatee County, Florida in the case of Manatee Charter School (each a "Charter" and together the "Charters"), for the operation of the respective Schools and is entitled to receive certain payments ("Charter Revenues") pursuant to such Charters under the laws of the State of Florida.

The Foundation has executed Charter School Agreements by and between the Foundation and the School Boards of Lee and Manatee Counties, Florida, respectively (collectively, the "School Boards"), pursuant to which the Foundation is entitled to receive certain charter payments with respect to each of the Schools (after withholding of certain administrative expenses of the School Boards as therein provided) (herein referred to as the "Charter Revenues"). Revenues available to the Foundation also include amounts derived from the operation of the Schools, such as revenue derived from meal programs, daycare or special events ("Additional Revenue").

Under a Lease Agreement with respect to the 2007 Project (the "Original Foundation Lease"), dated as of March 1, 2007, between the Foundation, as lessee, and the Borrower, as lessor, the Foundation leased the 2007 Project from the Borrower. In connection with the issuance of the Series 2012 Bonds, the Original Foundation Lease was amended and restated pursuant to the Amended and Restated Lease Agreement, dated August 27, 2012 (the "Prior Foundation Lease") to provide for the continued lease of the 2007 Project, the lease of the Gateway Intermediate Charter School and the sublease of Manatee Charter School and the Gateway Expansion by the Borrower to the Foundation. In connection with the issuance of the Series 2023 Bonds, the Prior Foundation Lease will be amended by a First Amendment to Amended and Restated Lease Agreement dated as of November 1, 2023 (the "Lease"), by and between the Borrower and the Foundation.

The Foundation is obligated to make Base Rental payments under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue) in a total amount sufficient to pay all sinking fund installments with respect to the Bonds, and to pay interest on the Bonds when due. All Charter Revenues and Additional Revenue are and will be pledged to the payment of Base Rental payments. The Foundation is also obligated to pay operating and maintenance

expense of the Project, as Additional Rent under the Foundation Lease (but solely from the Charter Revenues and Additional Revenue).

The site and school facilities for Manatee Charter School are leased to the Borrower for a term extending beyond the final maturity of the Series 2023 Bonds under a Lease Agreement dated as of August 1, 2012, by and between Red Apple at Manatee, LLC ("Red Apple Manatee") as lessor, and the Borrower, as lessee (the "Red Apple Manatee Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the facilities for Manatee Charter School from the Borrower.

The Gateway Expansion is leased to the Borrower for a term of extending beyond the final maturity of the Series 2023 Bonds under a lease agreement dated as of August 1, 2012, as amended by a First Amendment to Lease Agreement dated as of November 1, 2023, each by and between Red Apple at Gateway EXP, LLC ("Red Apple Gateway" and together with Red Apple Manatee, "Red Apple"), as lessor, and the Borrower, as lessee (collectively, the "Red Apple Gateway Lease"). Pursuant to the Foundation Lease, the Foundation will sublease the Gateway Expansion from the Borrower. Each of the Red Apple Manatee Lease and the Red Apple Gateway Lease is referred to herein as a "Red Apple Lease" and such leases are collectively referred to herein as the "Red Apple Leases." The Red Apple Leases, together with the Foundation Lease defined above, are collectively referred to herein as the "Leases".

Pursuant to Management Agreements (each a "Management Agreement") by and between the Foundation and separate limited liability companies with respect to one or more Schools (each a "Manager"), each Manager shall be obligated to provide all labor, supervision, materials and equipment necessary for the educational requirements of students at the respective School(s), and for the management, operation and maintenance of the School(s). The sole member of each Manager is Charter Schools USA, Inc. ("CSUSA").

The Borrower has collaterally assigned its rights under the Management Agreements to the Trustee pursuant to Amended and Restated Collateral Assignments of Management Agreements and Consents by Managers dated August 27, 2012 (the "Management Agreements Assignment"), by and among the Foundation, the Trustee, and the Managers.

Pursuant to the Mortgage and Security Agreement, dated August 27, 2012 from Red Apple Manatee to the Issuer (the "Red Apple Manatee Mortgage"), Red Apple Manatee granted a fee mortgage on the property leased pursuant to the Red Apple Manatee Lease in favor of the Issuer. Pursuant to the Mortgage and Security Agreement, dated August 27, 2012, as modified by the Mortgage Modification dated as of November 1, 2023, each from Red Apple Gateway to the Issuer (collectively, the "Red Apple Gateway Mortgage" and, together with the Red Apple Manatee Mortgage, the "Red Apple Mortgages"), Red Apple Gateway granted a fee mortgage on the property leased pursuant to the Red Apple Gateway Lease in favor of the Issuer. Pursuant to the Assignment of Mortgages, dated the date of issuance of the Series 2012 Bonds and the Assignment of Mortgage dated as of November 1, 2023 (collectively, the "Mortgage Assignment"), from the Issuer to the Trustee, the Issuer assigned and will assign all of its right, title and interest in the Red Apple Mortgages (except for certain reserved rights) to the Trustee as part of the Trust Estate created under the Indenture (defined below).

The Bonds and the interest thereon are special, limited obligations of the Issuer, payable solely out of the payments derived by the Issuer under the Mortgage and Loan Agreement (the "Original Loan Agreement"), dated as of March 1, 2007, as supplemented by and through the Second Supplement to Mortgage and Loan Agreement, dated as of November 1, 2023 (the "Second Supplemental Loan Agreement" and, together with the Original Loan Agreement as previously amended, the "Loan Agreement"), each by and among the Issuer and the Borrower, and are secured by an assignment of such payments to the Trustee pursuant to the Indenture.

In order to secure the payment of the Bonds, the Issuer has assigned and will assign all of its rights and interest in the Loan Agreement (other than certain rights of indemnification, payments of expenses and taxes, rights to perform certain discretionary acts and rights to receive notices) to the Trustee, pursuant to an Assignment of Mortgage and Loan Agreement dated as of April 3, 2007, an Assignment of First Supplemental Mortgage and Loan Agreement dated as of August 27, 2012, and an Assignment of Second Supplemental Mortgage and Loan Agreement dated as of the Closing Date (collectively, the "Loan Agreement Assignment").

In order to further secure the payment of debt service on the Bonds, each of the Borrower and Red Apple have assigned all of their rights and interest in the Red Apple Leases to the Trustee pursuant to a Collateral Assignment of Red Apple Lease Agreements dated August 27, 2012 (the "Red Apple Lease Assignment") from the Borrower, Red Apple Manatee, and Red Apple Gateway to the Trustee. In order to further secure the payment of debt service on the Bonds, the Borrower has assigned all of its rights and interest in the Foundation Lease to the Trustee pursuant to a Collateral Assignment of Lease Agreement dated April 3, 2007, and a Collateral Assignment of Red Apple Lease Agreements dated the Closing Date (collectively, the "Foundation Lease Assignment") from the Borrower to the Trustee.

The obligations of the Borrower under the Loan Agreement are secured by (i) a fee mortgage interest in the Project from the Borrower for the benefit of the Trustee, (ii) a leasehold mortgage interest in the Manatee Charter School and the Gateway Expansion from the Borrower for the benefit of the Trustee, (iii) the Red Apple Mortgages, (iv) an assignment of and security interest in the Pledged Revenues and (v) a security interest in all other assets of the Borrower related to the Project.

The Loan Agreement, Foundation Lease, the Foundation Lease Assignment, the Red Apple Leases, the Red Apple Lease Assignment, the Borrower Mortgage, the Management Agreements Assignment, the Continuing Disclosure Agreement dated as of November 1, 2023 among the Foundation, the Borrower and Digital Assurance Certification, LLC, as dissemination agent (the "Continuing Disclosure Agreement"), the Tax Certificate, and this Agreement are referred to herein, collectively, as the "Borrower Documents."

The Charters, the Foundation Lease, the Management Agreements, the Management Agreements Assignment, the Continuing Disclosure Agreement, the Tax Certificate, and this Agreement are referred to herein, collectively, as the "Foundation Documents."

The Red Apple Mortgages, Red Apple Leases, the Red Apple Lease Assignment, and this Agreement are referred to herein, collectively, as the "Red Apple Documents."

This Agreement and the Management Agreements are referred to herein, together, as the "CSUSA Documents."

A Preliminary Limited Offering Memorandum dated [PLOM DATE] (the "Preliminary Limited Offering Memorandum"), has been prepared, providing information, on a preliminary basis, in connection with the limited offering and sale of the Series 2023 Bonds. The Preliminary Limited Offering Memorandum, together with all amendments and additional supplements which may be approved by the Underwriter, the Foundation and the Borrower for use therewith, are referred to herein as the "Preliminary Limited Offering Memorandum." If the terms hereof are accepted by the Issuer, the Borrower, the Foundation, Red Apple, and CSUSA, as soon as practicable there shall be prepared a Limited Offering Memorandum substantially in the same form as the Preliminary Limited Offering Memorandum, to be distributed in connection with such limited offering. The Limited Offering Memorandum, together with any and all amendments and supplements thereto which may be approved by the Borrower, the Foundation and the Underwriter from time to time therewith, are referred to herein collectively as the "Limited Offering Memorandum." The Limited Offering Memorandum, in its initial form and excluding any subsequent amendment or supplement, shall state the offering prices or yields at which the Underwriter shall initially offer the Series 2023 Bonds, but the Underwriter, in its discretion and without prior notice to the Borrower, the Foundation or the Issuer, shall have the right to vary such offering prices or yields and to allow concessions or discounts from the offering price in sales to other securities dealers.

Each of the Issuer, the Borrower, the Foundation, Red Apple, and CSUSA acknowledges and agrees that (i) the purchase and sale of the Series 2023 Bonds pursuant to this Agreement is an arm's-length commercial transaction among the Issuer, the Borrower, the Foundation, Red Apple, CSUSA and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), an agent or a fiduciary of the Issuer, the Borrower, the Foundation, Red Apple, or CSUSA, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer, the Borrower, the Foundation, Red Apple, or CSUSA with respect to (a) the offering of the Series 2023 Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Issuer, the Borrower, the Foundation, Red Apple, or CSUSA on other matters) or (b) any other obligation to the Issuer, the Borrower, the Foundation, Red Apple, or CSUSA except the obligations expressly set forth in this Agreement, (iv) the Issuer, the Borrower, the Foundation, Red Apple, and CSUSA have consulted with their own legal and other professional advisors to the extent they deemed appropriate in connection with the offering of the Series 2023 Bonds and (v) the Underwriter has financial and other interests that differ from those of the Issuer, the Borrower, the Foundation, Red Apple, and CSUSA.

Capitalized terms used but not defined herein shall have the meanings provided in the Preliminary Limited Offering Memorandum unless the context clearly requires otherwise.

Section 2. **Bond Terms**. The Series 2023 Bonds shall have such terms as are provided in the Indenture. The Series 2023 Bonds shall have the principal amounts, maturity

dates, interest rates, prices and yields, and optional and mandatory sinking fund redemption terms as set forth in Exhibit A hereto.

It is intended that the proceeds of the Series 2023 Bonds will be expended so that the interest on the Series 2023A Bonds will not be includable in gross income of the holders thereof for the purposes of Federal income taxation and that the Series 2023 Bonds may be underwritten by the Underwriter without registration of any security under the Securities Act of 1933, as amended (the "Securities Act") or qualification of the Indenture under the Trust Indenture Act of 1939 (the "Trust Indenture Act"). In order that interest on the Series 2023A Bonds is not includable in gross income for purposes of Federal income taxation, the Issuer, the Foundation and the Borrower will, on the date of issuance of the Series 2023 Bonds, execute and deliver certificates relating to the tax-exempt status of the Series 2023A Bonds (collectively, the "Tax Certificate").

The Series 2023 Bonds are being issued in book-entry form, and the parties acknowledge that, where appropriate, references herein to Bonds shall mean book-entry interests therein.

Section 3. Representations and Warranties of the Borrower, the Foundation, Red Apple, and CSUSA.

(a) The Borrower makes the following representations and warranties to the Issuer, the Foundation, Red Apple, CSUSA, and the Underwriter and acknowledges that such representations may be relied upon by the Underwriter, the Issuer, the Foundation, Red Apple, CSUSA, counsel for each of the foregoing, and Bond Counsel:

(i) the Borrower is limited liability company duly organized and in good standing under the laws of the State of Florida, is authorized by the laws of such State applicable as of the date hereof to lease the Facilities and operate the Facilities as charter school facilities, and has power to enter into and to perform and observe the covenants and agreements on its part contained in the Borrower Documents;

(ii) the Borrower has full power and authority to execute and deliver the Borrower Documents and the Limited Offering Memorandum and to carry out the terms of the Borrower Documents, and each such agreement, when executed and delivered by the Borrower, will have been duly and validly authorized, executed and delivered by the Borrower, and, assuming due authorization, execution and delivery by the other parties hereto and thereto, will be valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except as limited by bankruptcy, insolvency, liquidation, moratorium, readjustment of debt, reorganization or similar laws relating to the enforcement of creditors' rights generally. The Borrower has consented to the assignment of certain of the Issuer's rights under the Loan Agreement to the Trustee pursuant to the Loan Agreement Assignment;

(iii) the execution and delivery of the Borrower Documents and the Limited Offering Memorandum and the consummation of the transactions contemplated herein and therein and the performance of its obligations under the Borrower Documents by the Borrower will not violate any existing law or regulation or conflict with, result in a breach of any of the terms of or constitute a default under the Borrower's articles of

organization, any operating agreement, any judgment, decree, order, statute, rule or regulation applicable to the Borrower, the Project, or the Facilities or, to any material extent, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Borrower is a party or by which the Borrower, the Project or the Facilities is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower under the terms of any instrument or agreement except for the Indenture, the Red Apple Leases, the Borrower Mortgage and Permitted Liens;

(iv) the Borrower is not and will not on the Closing Date be in violation of any provision of or in default under any judgment, decree, order, statute, rule or regulation applicable to the Borrower, the Project, or the Facilities or, to any material extent, indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Borrower is a party or by which the Borrower, the Project or the Facilities is bound. There is no provision in any such judgment, decree, order, statute, rule, regulation, indenture, mortgage, deed of trust, lease or other agreement or instrument that materially adversely affects the Borrower, the Project, or the Facilities;

(v) the Borrower has obtained, or will obtain on or before the date required therefor, all licenses, authorizations, permits and approvals from applicable local, state and federal governmental agencies necessary to operate, or cause to be operated, the Project and the Facilities as charter school facilities as contemplated by the Borrower Documents and the Charters. The Borrower knows of no reason that such licenses, authorizations, permits and approvals will not be issued or issued in a timely manner. Except as otherwise disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, no approval, authorization, consent or other order of any public board or body not presently obtained or which will not be obtained by the Closing Date is required for the transactions contemplated hereby (other than such notices and filings, if any as may be required under the securities or Blue Sky laws of any jurisdiction, and other than such approvals and permits required in connection with the Project and the Facilities which can be obtained or are required only following the Closing Date);

(vi) as of the date hereof, there is no litigation or proceeding that has been served on the Borrower, or is otherwise pending or threatened against or affecting the Borrower that challenges the validity, permissibility or enforceability of the Borrower Documents or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, and there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court or administrative body that has been served on the Borrower or is otherwise pending or threatened against or affecting the Borrower, or, to the best of the Borrower's knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the condition, financial or otherwise, of the Borrower or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or would have an adverse effect on the validity or enforceability of the Borrower Documents or any material agreement or instrument by which the Borrower is or may be bound or which would in any way

adversely affect the existence or power of the Borrower or the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds;

(vii) the representations and warranties of the Borrower contained in the Borrower Documents are true and correct as of the date hereof and will be true and correct on the Closing Date;

(viii) the Borrower has or shall have by the Closing Date good and marketable leasehold interests in the Subleased Facilities and fee interests in the Leased Facilities, free from all encumbrances except Permitted Liens, and such interests shall remain in the Borrower so long as the Bonds remain Outstanding;

(ix) the Borrower is in possession of Phase I Environmental Site Assessments which were performed on each of the sites comprising the Facilities, and such assessments, delineations, and surveys have not revealed any contamination of the sites or any violation of any rules or regulations of the Environmental Protection Agency or any other Environmental Law;

(x) there exists no default or any condition or event which would constitute, with the passage of time or the giving of notice, or both, a default hereunder, under the Borrower Documents or the Indenture;

(xi) the statements and information contained in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") were and are, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") are, as of the date hereof, complete and accurate. The statements and information in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") did not and do not, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer"), as of the date hereof, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. The Borrower covenants that it will not authorize or provide the inclusion of any information or statements in any supplement or amendment to the Limited Offering Memorandum that contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(xii) the audited financial statements of the Schools included in Appendix B to the Limited Offering Memorandum, and the unaudited financial statements and summaries of audited financial statements included in Appendix A to the Limited Offering Memorandum present fairly the financial position of the Borrower and the Schools as of the dates indicated and the results of their operations and changes in net

assets and cash flows of unrestricted net assets for the periods specified, and such financial statements have been prepared in conformity with accounting principles generally accepted within the United States of America consistently applied to the periods involved;

(xiii) the examined forecast included in Appendix C to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum presents a reasonable projection of the matters included in such forecast and is based on reasonable assumptions;

(xiv) the governing body of the Borrower has reviewed and approved the information in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and the Borrower hereby approves the forms of, and consents to and ratifies the Underwriter's use of, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in connection with the limited offering and sale of the Series 2023 Bonds and in connection with any "Blue Sky" qualifications. The Borrower hereby confirms that it does not object to the distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in electronic form. The Borrower shall, within seven days of the date of execution hereof, provide sufficient copies of the Limited Offering Memorandum for the Underwriter to provide such copies to potential customers on request and to comply with the rules of the Municipal Securities Rulemaking Board;

(xv) the Borrower covenants and warrants that, except for those matters discussed generally in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "BONDHOLDERS' RISKS," it knows of no event or circumstance which presently appears likely to occur which would cause it not to have the economic ability to meet all the obligations imposed under the Borrower Documents;

(xvi) the Borrower is not in default in the payment of principal of or premium, if any, or interest on any debt obligation issued or incurred by it;

(xvii) the Borrower has received, and there are currently in full force and effect, all permits, licenses, franchises, accreditations and certifications necessary (i) to conduct its businesses as those businesses are being conducted currently, as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and (ii) to acquire and equip the Project;

(xviii) prior to the Closing, the Borrower will not incur any material liabilities, direct or contingent, payable from or secured by any of the Pledged Revenues or assets which will secure the Bonds without the prior written approval of the Underwriter;

(xix) substantially all the proceeds from the sale of the Series 2023 Bonds will be used in the manner provided in the Loan Agreement and the Indenture, and the Borrower will not take or omit to take any action or omission, or permit any action or omission, which action or omission will in any way cause the proceeds from the sale of

Bonds to be applied in a manner contrary to that provided in the Loan Agreement and the Indenture;

(xx) except those portions of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," each of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is hereby deemed final by the Borrower as of its date within the meaning of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), and the Borrower acknowledges the use by the Underwriter, prior to the date hereof, of the Preliminary Limited Offering Memorandum in connection with the limited offering and sale of the Series 2023 Bonds;

(xxi) the Borrower has not been in default at any time after December 31, 1975, as to principal or interest with respect to any debt obligation issued, incurred, or guaranteed by the Borrower;

(xxii) except as disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in the past five years, the Borrower has complied, in all material respects, with all previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12; and

(xxiii) any certificates in connection with the issuance of the Series 2023 Bonds signed by or on behalf of the Borrower or any of its officers, directors, agents or employees and delivered to the Underwriter, the Trustee, or the Issuer on or prior to the Closing Date, and any representation of the Borrower in any Borrower Document shall be deemed a representation and warranty by the Borrower to the Issuer and the Underwriter as to the truth of the statements therein contained and may be relied upon by the Issuer and the Underwriter and counsel for each of the foregoing, and Bond Counsel.

(b) The Foundation makes the following representations and warranties to the Issuer, the Borrower, Red Apple, CSUSA, and the Underwriter and acknowledges that such representations may be relied upon by the Underwriter, the Issuer, the Borrower, Red Apple, CSUSA, counsel for each of the foregoing, and Bond Counsel:

(i) the Foundation is a not-for-profit corporation duly organized and in good standing under the laws of the State of Florida, is authorized by the laws of such State applicable as of the date hereof to lease or sublease the Facilities and operate the Facilities as charter school facilities, and has power to enter into and to perform and observe the covenants and agreements on its part contained in the Foundation Documents;

(ii) the Foundation has full power and authority to execute and deliver the Foundation Documents and the Limited Offering Memorandum and to carry out the terms of the Foundation Documents, and each such agreement, when executed and delivered by the Foundation, will have been duly and validly authorized, executed and delivered by the Foundation, and, assuming due authorization, execution and delivery by

the other parties hereto and thereto, will be valid and binding obligations of the Foundation, enforceable against the Foundation in accordance with their respective terms, except as limited by bankruptcy, insolvency, liquidation, moratorium, readjustment of debt, reorganization or similar laws relating to the enforcement of creditors' rights generally;

(iii) the execution and delivery of the Foundation Documents and the Limited Offering Memorandum and the consummation of the transactions contemplated herein and therein and the performance of its obligations under the Foundation Documents by the Foundation will not violate any existing law or regulation or conflict with, result in a breach of any of the terms of or constitute a default under the Foundation's articles of incorporation or bylaws, any Charter, any judgment, decree, order, statute, rule or regulation applicable to the Foundation, the Project, or the Facilities or, to any material extent, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Foundation is a party or by which the Foundation, the Project, or the Facilities is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Foundation under the terms of any instrument or agreement except for the Indenture, the Red Apple Leases, the Borrower Mortgage and Permitted Liens;

(iv) the Foundation is not and will not on the Closing Date be in violation of any provision of or in default under any judgment, decree, order, statute, rule or regulation applicable to the Foundation, the Project, or the Facilities or, to any material extent, any Charter, indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Foundation is a party or by which the Foundation, the Project, or the Facilities is bound. There is no provision in any such judgment, decree, order, statute, rule, regulation, indenture, mortgage, deed of trust, lease or other agreement or instrument that materially adversely affects the Foundation, the Project, or the Facilities;

(v) the Foundation has obtained, or will obtain on or before the date required therefor, all licenses, authorizations, permits and approvals from applicable local, state and federal governmental agencies necessary to operate, or cause to be operated, the Project, and the Facilities as charter school facilities as contemplated by the Foundation Documents and the Charters. The Foundation knows of no reason that such licenses, authorizations, permits and approvals will not be issued or issued in a timely manner. Except as otherwise disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, no approval, authorization, consent or other order of any public board or body not presently obtained or which will not be obtained by the Closing Date is required for the transactions contemplated hereby (other than such notices and filings, if any as may be required under the securities or Blue Sky laws of any jurisdiction, and other than such approvals and permits required in connection with the Project and the Facilities which can be obtained or are required only following the Closing Date);

(vi) as of the date hereof, there is no litigation or proceeding that has been served on the Foundation, or is otherwise pending or threatened against or affecting the Foundation that challenges the validity, permissibility or enforceability of the Foundation

Documents or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, and there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court or administrative body that has been served on the Foundation or is otherwise pending or threatened against or affecting the Foundation, or, to the best of the Foundation's knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the condition, financial or otherwise, of the Foundation or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or would have an adverse effect on the validity or enforceability of the Foundation Documents or any material agreement or instrument by which the Foundation is or may be bound or which would in any way adversely affect the existence or power of the Foundation or the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds;

(vii) the representations and warranties of the Foundation contained in the Foundation Documents are true and correct as of the date hereof and will be true and correct on the Closing Date;

(viii) the Foundation (1) is an organization described in Section 501(c)(3) of the Code, (2) has received a letter from the Internal Revenue Service to that effect, which letter has not been modified, limited or revoked, (3) is in compliance with all terms, conditions and limitations (if any) contained in such letter (it being specifically represented by the Foundation hereby that the facts and circumstances which form the basis of such letter continue to exist), and (4) the Foundation is entitled to rely on such letter and is therefore exempt from federal income taxes under Section 501(a) of the Code;

(ix) the Foundation is an organization (1) organized and operated exclusively for charitable purposes and not for pecuniary profit, and (2) no part of the net earnings of which inure to the benefit of any Person, private stockholder or individual, all within the meaning of the Securities Act and the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), respectively;

(x) the Foundation has or shall have by the Closing Date good and marketable leasehold interests in the Subleased Facilities and the Leased Facilities, free from all encumbrances except Permitted Liens, and such interests shall remain in the Foundation so long as the Bonds remain Outstanding;

(xi) the Foundation is in possession of Phase I Environmental Site Assessments which were performed on each of the sites comprising the Facilities, and such assessments, delineations, and surveys have not revealed any contamination of the sites or any violation of any rules or regulations of the Environmental Protection Agency or any other Environmental Law;

(xii) there exists no default or any condition or event which would constitute, with the passage of time or the giving of notice, or both, a default hereunder, under the Foundation Documents, the Charters or the Indenture;

(xiii) the statements and information contained in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") were and are, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") are, as of the date hereof, complete and accurate. The statements and information in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") did not and do not, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer"), as of the date hereof, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. The Foundation covenants that it will not authorize or provide the inclusion of any information or statements in any supplement or amendment to the Limited Offering Memorandum that contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(xiv) the audited financial statements of the Schools included in Appendix B to the Limited Offering Memorandum, and the unaudited financial statements and summaries of audited financial statements included in Appendix A to the Limited Offering Memorandum present fairly the financial position of the Foundation and the Schools as of the dates indicated and the results of their operations and changes in net assets and cash flows of unrestricted net assets for the periods specified, and such financial statements have been prepared in conformity with accounting principles generally accepted within the United States of America consistently applied to the periods involved;

(xv) the examined forecast included in Appendix C to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum presents a reasonable projection of the matters included in such forecast and is based on reasonable assumptions;

(xvi) the governing body of the Foundation has reviewed and approved the information in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and the Foundation hereby approves the forms of, and consents to and ratifies the Underwriter's use of, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in connection with the limited offering and sale of the Series 2023 Bonds and in connection with any "Blue Sky" qualifications. The Foundation hereby confirms that it does not object to the distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in electronic form. The

Foundation shall, within seven days of the date of execution hereof, provide sufficient copies of the Limited Offering Memorandum for the Underwriter to provide such copies to potential customers on request and to comply with the rules of the Municipal Securities Rulemaking Board;

(xvii) the Foundation covenants and warrants that, except for those matters discussed generally in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "BONDHOLDERS' RISKS," it knows of no event or circumstance which presently appears likely to occur which would cause it not to have the economic ability to meet all the obligations imposed under the Foundation Documents;

(xviii) the Foundation is not in default in the payment of principal of or premium, if any, or interest on any debt obligation issued or incurred by it;

(xix) the Foundation has received, and there are currently in full force and effect, all permits, licenses, franchises, accreditations and certifications necessary, including but not limited to the Charters, (i) to conduct its businesses as those businesses are being conducted currently, as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and (ii) to lease the Project;

(xx) prior to the Closing, the Foundation will not incur any material liabilities, direct or contingent, payable from or secured by any of the Pledged Revenues or assets which will secure the Bonds without the prior written approval of the Underwriter;

(xxi) substantially all the proceeds from the sale of the Series 2023 Bonds will be used in the manner provided in the Loan Agreement and the Indenture, and the Foundation will not take or omit to take any action or omission, or permit any action or omission, which action or omission will in any way cause the proceeds from the sale of Bonds to be applied in a manner contrary to that provided in the Loan Agreement and the Indenture;

(xxii) except those portions of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," each of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is hereby deemed final by the Foundation as of its date within the meaning of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), and the Foundation acknowledges the use by the Underwriter, prior to the date hereof, of the Preliminary Limited Offering Memorandum in connection with the limited offering and sale of the Series 2023 Bonds;

(xxiii) the Foundation has not been in default at any time after December 31, 1975, as to principal or interest with respect to any debt obligation issued, incurred, or guaranteed by the Foundation;

(xxiv) except as disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in the past five years, the Foundation has complied,

in all material respects, with all previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12;

(xxv) each Charter is in full force and effect, and the Foundation is not in default or violation of any provision of any Charter; and

(xxvi) any certificates in connection with the issuance of the Series 2023 Bonds signed by or on behalf of the Foundation or any of its officers, directors, agents or employees and delivered to the Underwriter, the Trustee, or the Issuer on or prior to the Closing Date, and any representation of the Foundation in any Foundation Document shall be deemed a representation and warranty by the Foundation to the Issuer and the Underwriter as to the truth of the statements therein contained and may be relied upon by the Issuer and the Underwriter and counsel for each of the foregoing, and Bond Counsel.

(c) Each of Red Apple Manatee and Red Apple Gateway makes the following representations and warranties to the Issuer, the Borrower, the Foundation, CSUSA and the Underwriter and acknowledges that such representations may be relied upon by the Underwriter, the Issuer, the Borrower, the Foundation, CSUSA, counsel for each of the foregoing, and Bond Counsel:

(i) it is a limited liability company duly organized and in good standing under the laws of the State of Florida, the sole member of which is Red Apple Development, is authorized by the laws of such State applicable as of the date hereof to lease its portion of the Facilities to the Borrower to be used by the Borrower as charter school facilities, has power to enter into and to perform and observe the covenants and agreements on its part contained in the Red Apple Documents;

(ii) it has full power and authority to execute and deliver the Red Apple Documents to which it is a party and the Limited Offering Memorandum and to carry out the terms of the Red Apple Documents to which it is a party, and each such agreement, when executed and delivered by it, will have been duly and validly authorized, executed and delivered by it, and, assuming due authorization, execution and delivery by the other parties hereto and thereto, will be valid and binding obligations of it, enforceable against it in accordance with their respective terms, except as limited by bankruptcy, insolvency, liquidation, moratorium, readjustment of debt, reorganization or similar laws relating to the enforcement of creditors' rights generally;

(iii) the execution and delivery of the Red Apple Documents to which it is a party and the Limited Offering Memorandum and the consummation of the transactions contemplated herein and therein and the performance of its obligations under the Red Apple Documents to which it is a party by it will not violate any existing law or regulation or conflict with, result in a breach of any of the terms of or constitute a default under its articles of organization or operating agreement, any judgment, decree, order, statute, rule or regulation applicable to it or the Facilities or, to any material extent, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which it is a party or by which it or the Facilities are bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or

assets of it under the terms of any instrument or agreement except for the Indenture, the Red Apple Leases, the Red Apple Mortgages and Permitted Liens;

(iv) it is not and will not on the Closing Date be in violation of any provision of or in default under any judgment, decree, order, statute, rule or regulation applicable to it or the Facilities or, to any material extent, indenture, mortgage, deed of trust, lease or other agreement or instrument to which it is a party or by which it or the Facilities are bound. There is no provision in any such judgment, decree, order, statute, rule, regulation, indenture, mortgage, deed of trust, lease or other agreement or instrument that materially adversely affects it or the Facilities;

(v) it has obtained, or will obtain on or before the date required therefor, all licenses, authorizations, permits and approvals from applicable local, state and federal governmental agencies necessary to operate, or cause to be operated, the Facilities owned by it as charter school facilities as contemplated by the Red Apple Documents and the Charters. It knows of no reason that such licenses, authorizations, permits and approvals will not be issued or issued in a timely manner. Except as otherwise disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, no approval, authorization, consent or other order of any public board or body not presently obtained or which will not be obtained by the Closing Date is required for the transactions contemplated hereby (other than such notices and filings, if any as may be required under the securities or Blue Sky laws of any jurisdiction, and other than such approvals and permits required in connection with the Facilities which can be obtained or are required only following the Closing Date);

(vi) as of the date hereof, there is no litigation or proceeding that has been served on it, or is otherwise pending or threatened against or affecting it that challenges the validity, permissibility or enforceability of the Red Apple Documents or the transactions contemplated by this Agreement, Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, and there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court or administrative body that has been served on it or is otherwise pending or threatened against or affecting it, or, to the best of its knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the condition, financial or otherwise, of it or the transactions contemplated by this Agreement, Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or would have an adverse effect on the validity or enforceability of the Red Apple Documents or any material agreement or instrument by which it is or may be bound or which would in any way adversely affect the existence or power of it or the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds;

(vii) the representations and warranties of it contained in the Red Apple Documents to which it is a party are true and correct as of the date hereof and will be true and correct on the Closing Date;

(viii) it has or shall have a good and marketable fee interest in each of the sites comprising the Facilities owned by it, free from all encumbrances except Permitted Liens, and such ownership interest shall remain so long as the Bonds remain Outstanding and the Red Apple Leases are in effect;

(ix) it is in possession of a Phase I Environmental Site Assessment performed on the sites comprising the Facilities owned by it and such assessment has not revealed any contamination of such site or any violation of any rules or regulations of the Environmental Protection Agency or any other Environmental Law;

(x) as of the date of execution and delivery of this Agreement, its only assets consist of the ownership of the Facilities leased by it to the Borrower pursuant to the Red Apple Lease to which it is a party, its sole business enterprise is the lease of such Facilities to the Borrower pursuant to the Red Apple Lease to which it is a party and so long as any obligations are outstanding under the Loan Agreement it will not engage in any activity not related to the ownership or leasing of such Facilities and the lease of such Facilities to the Borrower pursuant to the Red Apple Lease to which it is a party or any future lease related to the operation by the Foundation of a charter school or charter schools;

(xi) there exists no default or any condition or event which would constitute, with the passage of time or the giving of notice, or both, a default hereunder, under the Red Apple Documents to which it is a party or the Indenture;

(xii) the statements and information contained in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") were and are, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") are, as of the date hereof, complete and accurate. The statements and information in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") did not and do not, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer"), as of the date hereof, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. It covenants that it will not authorize or provide the inclusion of any information or statements in any supplement or amendment to the Limited Offering Memorandum that contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(xiii) its governing body has reviewed and approved the information in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and hereby authorizes the Preliminary Limited Offering Memorandum and the Limited

Offering Memorandum to be used by the Underwriter in connection with the limited offering and sale of the Series 2023 Bonds. It hereby approves the forms of, and consents to and ratifies the Underwriter's use of, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in connection with the limited offering and sale of the Series 2023 Bonds and in connection with any "Blue Sky" qualifications. It hereby confirms that it does not object to the distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in electronic form;

(xiv) it is not in default in the payment of principal of or premium, if any, or interest on any debt obligation issued or incurred by it;

(xv) it has received, and there are currently in full force and effect, all permits, licenses, franchises, accreditations and certifications necessary to conduct its businesses as those businesses are being conducted currently, as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xvi) prior to the Closing, it will not incur any material liabilities, direct or contingent, payable from or secured by any of the Facilities or the Pledged Revenues or assets which will secure the Bonds without the prior written approval of the Underwriter;

(xvii) substantially all the proceeds from the sale of the Series 2023 Bonds will be used in the manner provided in the Loan Agreement and the Indenture, and it will not take or omit to take any action or omission, or permit any action or omission, which action or omission will in any way cause the proceeds from the sale of Bonds to be applied in a manner contrary to that provided in the Loan Agreement and the Indenture;

(xviii) except those portions of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," each of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is hereby deemed final by it as of its date within the meaning of paragraph (b)(1) of Rule 15c2-12, and it acknowledges the use by the Underwriter, prior to the date hereof, of the Preliminary Limited Offering Memorandum in connection with the limited offering and sale of the Series 2023 Bonds; and

(xix) any certificates in connection with the issuance of the Series 2023 Bonds signed by or on behalf of it or any of its officers, directors, agents or employees and delivered to the Underwriter, the Trustee, or the Issuer on or prior to the Closing Date, and any representation of it in any Red Apple Document to which it is a party shall be deemed a representation and warranty by it to the Issuer and the Underwriter as to the truth of the statements therein contained and may be relied upon by the Issuer and the Underwriter and counsel for each of the foregoing, and Bond Counsel.

(d) CSUSA makes the following representations and warranties to the Issuer, the Borrower, the Foundation, Red Apple and the Underwriter and acknowledges that such representations may be relied upon by the Underwriter, the Issuer, the Foundation, the Borrower, Red Apple, counsel for each of the foregoing, and Bond Counsel:

(i) CSUSA is a corporation duly organized and in good standing under the laws of the State of Delaware, has power to enter into and to perform and observe the covenants and agreements on its part contained in the CSUSA Documents;

(ii) CSUSA has full power and authority to execute and deliver the Limited Offering Memorandum and the CSUSA Documents, and to carry out the terms of the CSUSA Documents, and each such agreement, when executed and delivered by CSUSA, will have been duly and validly authorized, executed and delivered by CSUSA, and, assuming due authorization, execution and delivery by the other parties hereto and thereto, will be valid and binding obligations of CSUSA, enforceable against CSUSA in accordance with their respective terms, except as limited by bankruptcy, insolvency, liquidation, moratorium, readjustment of debt, reorganization or similar laws relating to the enforcement of creditors' rights generally;

(iii) the execution and delivery of the Limited Offering Memorandum and the CSUSA Documents and the consummation of the transactions contemplated herein and therein and the performance of its obligations under the CSUSA Documents by CSUSA will not violate any existing law or regulation or conflict with, result in a breach of any of the terms of or constitute a default under CSUSA's articles of incorporation or bylaws, any judgment, decree, order, statute, rule or regulation applicable to CSUSA or, to any material extent, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which CSUSA is a party or by which CSUSA is bound;

(iv) CSUSA is not and will not on the Closing Date be in violation of any provision of or in default under any judgment, decree, order, statute, rule or regulation applicable to CSUSA or, to any material extent, indenture, mortgage, deed of trust, lease or other agreement or instrument to which CSUSA is a party or by which CSUSA is bound. There is no provision in any such judgment, decree, order, statute, rule, regulation, indenture, mortgage, deed of trust, lease or other agreement or instrument that materially adversely affects CSUSA;

(v) as of the date hereof, there is no litigation or proceeding that has been served on CSUSA, any Manager or any of CSUSA's other affiliates, or is otherwise pending or threatened against or affecting CSUSA, any Manager or any of CSUSA's other affiliates that challenges the validity, permissibility or enforceability of the CSUSA Documents or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, and there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court or administrative body that has been served on CSUSA, any Manager or any of CSUSA's other affiliates or is otherwise pending or threatened against or affecting CSUSA, any Manager or any of CSUSA's other affiliates, or, to the best of CSUSA's knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the condition, financial or otherwise, of CSUSA, any Manager or any of CSUSA's other affiliates or the transactions contemplated by this Agreement, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or would have an adverse effect on the validity or enforceability of the CSUSA Documents or any material agreement or instrument by which CSUSA or any Manager is

or may be bound or which would in any way adversely affect the existence or power of CSUSA or any Manager or the exclusion from gross income for federal income tax purposes of interest on the Series 2023A Bonds;

(vi) the representations and warranties of CSUSA contained in the CSUSA Documents are true and correct as of the date hereof and will be true and correct on the Closing Date;

(vii) there exists no default or any condition or event which would constitute, with the passage of time or the giving of notice, or both, a default hereunder, under the CSUSA Documents;

(viii) the statements and information contained in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") were and are, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") are, as of the date hereof, complete and accurate. The statements and information in the Preliminary Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer") did not and do not, as of the date thereof and hereof, and in the Limited Offering Memorandum (other than information appearing under the headings "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer"), as of the date hereof, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. It covenants that it will not authorize or provide the inclusion of any information or statements in any supplement or amendment to the Limited Offering Memorandum that contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading;

(ix) the governing body of CSUSA has reviewed and approved the information in Appendix D to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and hereby authorizes the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum to be used by the Underwriter in connection with the limited offering and sale of the Series 2023 Bonds. CSUSA hereby approves the forms of, and consents to and ratifies the Underwriter's use of, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, in connection with the limited offering and sale of the Series 2023 Bonds and in connection with any "Blue Sky" qualifications. CSUSA hereby confirms that it does not object to the distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in electronic form;

(x) CSUSA is not in default in the payment of principal of or premium, if any, or interest on any debt obligation issued or incurred by it;

(xi) prior to the Closing, CSUSA will not incur any material liabilities, direct or contingent, without the prior written approval of the Underwriter; and

(xii) any certificates in connection with the issuance of the Series 2023 Bonds signed by or on behalf of CSUSA or any of its officers, directors, agents or employees and delivered to the Underwriter, the Borrower, the Foundation, Red Apple, the Trustee or the Issuer on or prior to the Closing Date, and any representation of CSUSA in any CSUSA Document shall be deemed a representation and warranty by CSUSA to the Issuer, the Borrower, the Foundation, Red Apple, the Trustee and the Underwriter as to the truth of the statements therein contained and may be relied upon by the Issuer and the Underwriter and counsel for each of the foregoing, and Bond Counsel.

Section 4. **Representations and Warranties of the Issuer**. The Issuer makes the following representations and warranties to the Borrower, the Foundation, Red Apple, CSUSA and the Underwriter and acknowledges that such representations may be relied upon by the Underwriter, the Borrower, the Foundation, Red Apple, CSUSA, counsel for each of the foregoing, and Bond Counsel:

(a) on the dates thereof, the date hereof, and on the Closing Date, to the best of the Issuer's knowledge, the statements and information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer" were, are, and will be true and complete in all material respects, and such statements and information did not, do not, and will not omit any material fact with respect to the Issuer which is necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading in any material respect, provided, however, that except for such statements and information, the Issuer has not confirmed, and assumes no responsibility for, the accuracy, sufficiency or fairness of any statements in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any other written materials used in connection with the offer and sale of the Series 2023 Bonds or in any way relating to the Borrower, the Foundation, Red Apple, CSUSA, or the Underwriter;

(b) the Issuer is and will be on the Closing Date a public body corporate and politic and a public instrumentality organized and existing under the Act, with the full power and authority to issue the Series 2023 Bonds;

(c) the Issuer is empowered and has been duly authorized to execute and deliver this Agreement, the Series 2023 Bonds, the Indenture, the Loan Agreement, the Tax Certificate, and the Loan Agreement Assignment (collectively, the "Issuer Documents"), to acknowledge the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and to carry out the transactions contemplated by the foregoing documents;

(d) the execution and delivery of the Issuer Documents has been duly authorized and such instruments will be, upon delivery, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except that enforceability may be limited by laws relating to bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the

rights of creditors, by the exercise of judicial discretion in accordance with general principles of equity, and by matters of public policy;

(e) when delivered to and paid for by the Underwriter at the Closing Date in accordance with the provisions of this Agreement, the Series 2023 Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding limited obligations of the Issuer entitled to the benefits of the Indenture and payable from the sources therein specified;

(f) the execution and delivery of the Issuer Documents and the Series 2023 Bonds and compliance with the provisions hereof and thereof, under the circumstances contemplated herein and therein, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default (with due notice or the passage of time or both) under any charter, agreement or other instrument to which the Issuer is a party or is bound, or under any applicable law, administrative rule or regulation, or any applicable court order, adjudication or consent decree to which the Issuer is subject or by which it or any of its properties are otherwise subject or bound;

(g) to the best of its knowledge, there is no litigation, action, suit, proceeding or investigation of any nature before or by any court, public board or body pending, threatened, restraining, affecting or enjoining the issuance, sale, execution or delivery of the Series 2023 Bonds, the collection of revenues pledged under the Indenture or any proceedings of the Issuer relating thereto or in any way contesting or affecting the Issuer's authority for the issuance of the Series 2023 Bonds, the execution and delivery of the Issuer Documents or the acknowledgment of the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum or the Issuer's powers with respect thereto;

(h) the resolution adopted by the Issuer on [DATE] (the "Bond Resolution") was duly passed at a meeting of the Issuer which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(i) at the request and expense of the Borrower, the Issuer agrees to cooperate with the Underwriter and its counsel in an endeavor to qualify the Series 2023 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States of America as the Underwriter may request; provided, however, the Issuer will not authorize the sale of the Series 2023 Bonds in any jurisdiction which requires the Issuer to qualify to transact business or consent to the service of process in any such jurisdictions, other than the State;

(j) relying solely on the representation in Sections 3(a)(xx), 3(b)(xiii) 3(c)(xii) hereof for all portions of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum except those portions under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," each of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is hereby deemed final by the Issuer as of the date hereof, within the meaning of paragraph (b)(1) of Rule 15c2-12, and the Issuer acknowledges the use by the Underwriter, prior to the date hereof, of the Preliminary Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2023 Bonds;

(k) the Issuer has not been in default at any time after December 31, 1975, as to principal or interest with respect to any debt obligation issued or guaranteed by the Issuer for the benefit of the Borrower; and

(l) the Issuer has not been advised by the Commissioner, the District Director or any other official of the Internal Revenue Service that certificates by the Issuer with respect to arbitrage may not be relied upon.

Any certificates in connection with the issuance of the Series 2023 Bonds signed by or on behalf of the Issuer or any of its officers, directors, agents or employees and delivered to the Underwriter, the Trustee, the Borrower, the Foundation, Red Apple or CSUSA and any representation on the part of the Issuer contained in any Issuer Document shall be deemed a representation and warranty by the Issuer as to the truth of the statements therein contained and may be relied upon by the Underwriter, the Trustee, the Borrower, the Foundation, Red Apple, CSUSA, counsel for each of the foregoing, and Bond Counsel.

The parties hereto acknowledge that no present or future officer, counsel, official, employee or agent of the Issuer shall be liable personally on the Series 2023 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No covenant, representation, stipulation, obligation or agreement contained in the Issuer Documents shall be deemed to be a covenant, representation, stipulation, obligation or agreement of any present or future member, counsel, officer, official, agent or employee of the Issuer in his or her individual capacity.

Section 5. **Representations and Warranties of the Underwriter**. The Underwriter makes the following representations and warranties to the Issuer, CSUSA, the Borrower, the Foundation and Red Apple and acknowledges that such representations may be relied upon by the Issuer, the Borrower, the Foundation, Red Apple, CSUSA, counsel for each of the foregoing, counsel for the Underwriter, and Bond Counsel:

(a) The Underwriter has full power and authority to execute and deliver this Agreement and to carry out the terms hereof and, when executed and delivered by the Underwriter, this Agreement will have been duly and validly authorized, executed and delivered by the Underwriter, and, assuming due authorization, execution and delivery by the other parties hereto, will be a valid and binding obligation of the Underwriter and will be in full force and effect, except as limited by bankruptcy, insolvency, liquidation, moratorium, readjustment of debt, reorganization or similar laws relating to the enforcement of creditors' rights generally.

Section 6. **Purchase, Sale and Delivery of the Series 2023 Bonds**. (a) In satisfaction of the requirements of Section 218.385(2) and (3), Florida Statutes, the Underwriter's Negotiated Sale Disclosure Statement attached hereto as Exhibit H, which, by this reference thereto, is incorporated herein, is hereby provided.

(b) On the basis of the representations and warranties contained herein and in the other agreements referred to herein and subject to the terms and conditions set forth herein, at the Closing Date, the Issuer will sell to the Underwriter and the Underwriter will purchase from the Issuer all, but not less than all, of (i) the Series 2023A Bonds at an aggregate purchase price of

$[_____] (representing the par amount of $[XXX].00, [plus/less original issue premium/discount of $_____ and less the underwriting discount of $_____]); and (ii) the Series 2023B Bonds at an aggregate purchase price of $[_____] (representing the par amount of $[YYY].00, less the underwriting discount of $_____). Inasmuch as this purchase and sale represents a negotiated transaction, the Borrower, the Foundation and the Issuer understand, and hereby confirm, that the Underwriter is not acting as a fiduciary of the Borrower, the Foundation, Red Apple, CSUSA or the Issuer, but rather is acting solely in its capacity as Underwriter for its own account.

(c) Payment of the purchase price for the Series 2023 Bonds shall be made by wire or check in immediately available funds payable to the order of the Trustee for the account of the Issuer at the offices of Bond Counsel on [Closing Date], or at such later time or date as may be agreed upon by the Issuer, the Borrower, the Foundation and the Underwriter, against delivery of the Series 2023 Bonds to the Underwriter or the persons designated by the Underwriter. The date and time of such delivery and payment of the Series 2023 Bonds is herein called the "Closing" or the "Closing Date." The delivery of the Series 2023 Bonds shall be made in either temporary or in definitive form (provided neither the printing of a wrong CUSIP number on any Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse delivery of any Bond) and registered in the name(s) of such owner(s) as the Underwriter shall designate to the Trustee. The Series 2023 Bonds shall be delivered to the Trustee as custodian under The Depository Trust Company's FAST System.

Section 7. Establishment of Issue Price.

(a) The Underwriter agrees to assist the Borrower and the Issuer in establishing the issue price of the Series 2023A Bonds and shall execute and deliver to the Borrower and the Issuer on the Closing Date a certificate in the form of Exhibit I hereto, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Borrower, the Underwriter, the Issuer, and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2023A Bonds.

(b) Except as otherwise set forth on Schedule I hereto, the Borrower and the Issuer will treat the first price at which 10% of each maturity of the Series 2023A Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Borrower and the Issuer the price or prices at which the Underwriter has sold to the public each maturity of Series 2023A Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2023A Bonds, the Underwriter agrees to promptly report to the Borrower and the Issuer the prices at which Series 2023A Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2023A Bonds of that maturity or until all Series 2023A Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2023A Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial

offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2023A Bonds for which the 10% test has not been satisfied and for which the Borrower and the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Borrower and the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2023A Bonds, the Underwriter will neither offer nor sell unsold Series 2023A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2023A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Borrower and the Issuer when the Underwriter has sold 10% of that maturity of the Series 2023A Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5^{th}) business day after the sale date.

The Issuer and the Borrower acknowledge that, in making the representation set forth in this Subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2023A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wire(s), and (ii) in the event that the Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Series 2023A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wire(s). The Issuer and the Borrower further acknowledge that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that each underwriter shall be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2023A Bonds.

(d) The Underwriter confirms that any selling group agreement relating to the initial sale of the Series 2023A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group to (A) report the prices at which it sells to the public the unsold Series 2023A Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Series 2023A Bonds of that maturity or all Series 2023A Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Borrower and the Issuer acknowledge that, in making the representation set forth in this Subsection, the Underwriter will rely on in the event a

selling group has been created in connection with the initial sale of the Series 2023A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires. The Borrower and the Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2023A Bonds.

(e) The Underwriter acknowledges that the sale of any Series 2023A Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(1) "public" means any person other than an underwriter or a related party,

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2023A Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2023A Bonds to the public),

(3) a purchaser of any of the Series 2023A Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) "sale date" means the date of execution of this Bond Purchase Agreement by all parties

Section 8. **Issuer's Covenants**. The Issuer shall:

(a) not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action would adversely affect the excludability from gross income for Federal income tax purposes of the interest on the Series 2023A Bonds;

(b) for a period of 90 days commencing on the Closing Date, advise the Underwriter promptly in connection with the offer and sale of the Series 2023 Bonds of the occurrence of any event of which it has knowledge, or the institution of any proceedings to which it is a party or of which it has knowledge by any governmental agency or otherwise, affecting the Series 2023 Bonds; and

(c) observe all covenants of the Issuer in the Issuer Documents and will not issue or sell any bonds or obligations other than the Bonds or Additional Bonds referred to in the Indenture, the principal of, premium, if any, and interest on which are payable in whole or in part from the payments derived under the Loan Agreement or are to be secured by a first lien on, or pledge of, the payments under the Mortgages or the Loan Agreement.

Section 9. The Borrower's, the Foundation's, Red Apple's and CSUSA's Covenants. (a) The Borrower shall:

(i) apply the proceeds of the Series 2023 Bonds as provided in and subject to all of the terms and provisions of the Indenture, the Loan Agreement, and the Tax Certificate, and will observe all covenants of it in such instruments;

(ii) take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Agreement, provided that it shall not be required to become qualified to do business or subject to service of process in any state other than Florida;

(iii) notify the Underwriter of any material adverse change in the business, properties or financial condition of it occurring before the Closing Date;

(iv) not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action would adversely affect the excludability from gross income for Federal income tax purposes of the interest on the Series 2023A Bonds;

(v) throughout the term of the Loan Agreement and the Red Apple Leases, use its best efforts to operate its facilities in a manner which shall permit it to meet all of its obligations under the Borrower Documents; and

(vi) for a period of 90 days commencing on the Closing Date, advise the Underwriter promptly in connection with the offer and sale of the Series 2023 Bonds of the occurrence of any event of which it has knowledge, or the institution of any proceedings to which it is a party or of which it has knowledge by any governmental agency or otherwise, affecting the Series 2023 Bonds.

(b) The Foundation shall:

(i) apply the proceeds of the Series 2023 Bonds as provided in and subject to all of the terms and provisions of the Indenture, the Loan Agreement, and the Tax Certificate, and will observe all covenants of it in such instruments;

(ii) take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Agreement, provided that it shall not be required to become qualified to do business or subject to service of process in any state other than Florida;

(iii) notify the Underwriter of any material adverse change in the business, properties or financial condition of it occurring before the Closing Date;

(iv) not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action would adversely affect the excludability from gross income for Federal income tax purposes of the interest on the Series 2023A Bonds;

(v) throughout the term of the Foundation Lease, use its best efforts to operate its facilities in a manner which shall permit it to meet all of its obligations under the Foundation Documents; and

(vi) for a period of 90 days commencing on the Closing Date, advise the Underwriter promptly in connection with the offer and sale of the Series 2023 Bonds of the occurrence of any event of which it has knowledge, or the institution of any proceedings to which it is a party or of which it has knowledge by any governmental agency or otherwise, affecting the Series 2023 Bonds.

(c) Red Apple shall:

(i) take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Agreement, provided that it shall not be required to become qualified to do business or subject to service of process in any state other than Florida;

(ii) notify the Underwriter of any material adverse change in the business, properties or financial condition of it occurring before the Closing Date;

(iii) not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action would adversely affect the excludability from gross income for Federal income tax purposes of the interest on the Series 2023A Bonds;

(iv) throughout the term of the Loan Agreement, use its best efforts to operate its facilities in a manner which shall permit it to meet all of its obligations under the Red Apple Documents, as applicable; and

(v) for a period of 90 days commencing on the Closing Date, advise the Underwriter promptly in connection with the offer and sale of the Series 2023 Bonds of the occurrence of any event of which it has knowledge, or the institution of any proceedings to which it is a party or of which it has knowledge by any governmental agency or otherwise, affecting the Series 2023 Bonds.

(d) CSUSA shall:

(i) provide annually to the Borrower within 60 days following the close of each fiscal year an Officer's Certificate certifying that (A) total deferred and waived management fees for the fiscal year then ended were not greater than ten percent (10%) of management fees budgeted by CSUSA for such fiscal year, (B) CSUSA then possesses at least 30 days' cash on hand, determined in accordance with generally accepted accounting principles, and (C) total net income for such fiscal year was (1) greater than zero (-0-) and (2) at least fifty percent (50%) of total net income for the immediately preceding fiscal year, determined in accordance with generally accepted accounting principles; provided, that, in the event that CSUSA cannot certify as to the information described in clauses (A), (B) or (C) above for any fiscal year, it shall provide the same Officer's Certificate to the Borrower on a quarterly basis within 45 days following the close of each fiscal quarter, commencing with the first quarter of the next following fiscal year, until the end of the first quarter in which all three such certifications can again be made, in which case such Officer's Certificate shall again be provided on an annual basis; and, provided, further, that, in the event that CSUSA cannot certify as to the information described in clauses (A) or (C) above, in each quarterly Officer's Certificate it shall also provide a detailed calculation of the information described in such clauses; and

(ii) agree that the information required in the Officer's Certificates described in subparagraph (i) above shall be provided in the annual and/or quarterly reports provided by the Borrower in the Continuing Disclosure Agreement.

Section 10. **Conditions of Underwriter's Obligation**. The obligation of the Underwriter to cause the purchase of and payment for the Series 2023 Bonds as herein provided is subject to the following conditions:

(a) The representations and warranties of the Borrower, the Foundation, Red Apple, CSUSA, and the Issuer shall be true and correct as of the date hereof and as of the Closing Date.

(b) At the Closing Date, the Borrower, the Foundation, Red Apple, CSUSA, and the Issuer shall have performed all of their obligations hereunder to be performed prior thereto.

(c) The Issuer, CSUSA, the Borrower, the Foundation and Red Apple shall have furnished or caused to be furnished to the Underwriter on the Closing Date certificates satisfactory to the Underwriter and its counsel as to the accuracy of all representations and warranties contained herein as of the date hereof and as of the Closing Date and as to the performance by the Issuer and the Borrower of all of their obligations hereunder to be performed at or prior to the Closing Date.

(d) The Series 2023 Bonds, the Issuer Documents, the CSUSA Documents, the Borrower Documents, the Foundation Documents, the Red Apple Documents, the Charters, and all agreements and instruments contemplated thereby, shall be in form and substance satisfactory to the Underwriter, shall have been duly authorized, executed and delivered by the respective parties thereto, shall be in full force and effect on the Closing Date, and a copy of each of which shall have been delivered to the Underwriter.

(e) All proceedings and related matters in connection with the authorization, issue, sale and delivery of the Series 2023 Bonds shall have been satisfactory to Bond Counsel, and counsel for the Underwriter, and such counsel shall have been furnished with such documents and information as they may have reasonably requested to enable them to deliver the opinions herein described.

(f) The offer and sale of the Series 2023 Bonds and all underlying securities shall be exempt from registration under the Securities Act.

(g) All conditions to the issuance of the Series 2023 Bonds specified in the Loan Agreement or the Indenture shall be been satisfied.

(h) At the Closing Date, there shall be delivered to the Underwriter:

(i) an opinion of Watson Sloane PLLC as Borrower's Bond Counsel, in substantially the form attached to the Limited Offering Memorandum as Appendix G-1; an opinion of Nabors, Giblin & Nickerson, P.A. as Issuer's Bond Counsel, in substantially the form attached to the Limited Offering Memorandum as Appendix G-2; and a supplemental opinion of Watson Sloane PLLC in substantially the form attached hereto as Exhibit B;

(ii) an opinion of counsel to the Borrower and the Foundation, in substantially the form attached hereto as Exhibit C;

(iii) an opinion of counsel to the Underwriter, in form and substance acceptable to the Underwriter;

(iv) an opinion of counsel to the Issuer in substantially the form attached hereto as Exhibit D;

(v) an opinion of counsel to Red Apple, CSUSA and the Managers in substantially the form attached hereto as Exhibit E;

(vi) a disclosure letter from counsel to Red Apple, CSUSA and the Managers in substantially the form attached hereto as Exhibit F;

(vii) a nonconsolidation opinion of counsel to Red Apple in substantially the form attached hereto as Exhibit G;

(viii) articles of incorporation of the Foundation certified by the Florida Secretary of State and Good Standing Certificate of the Foundation from the Florida Secretary of State, each dated within 30 days of the Closing Date, and a copy of the ruling evidencing the Foundation to be an organization described in section 501(c)(3) of the Code;

(ix) articles of organization of the Borrower certified by the Florida Secretary of State and Good Standing Certificate of the Borrower from the Florida Secretary of State, each dated within 30 days of the Closing Date;

(x) articles of incorporation of CSUSA certified by the Florida Secretary of State and Good Standing Certificate of CSUSA from the Florida Secretary of State, each dated within 30 days of the Closing Date;

(xi) articles of organization of each Red Apple certified by the Florida Secretary of State and Good Standing Certificates of each Red Apple from the Florida Secretary of State, each dated within 30 days of the Closing Date;

(xii) articles of organization of each of the Managers certified by the Florida Secretary of State and Good Standing Certificates of each of the Managers from the Florida Secretary of State, each dated within 30 days of the Closing Date;

(xiii) certified copies of the resolutions adopted by the Borrower authorizing the execution and delivery of the Borrower Documents, authorizing the approval of the Indenture and the authorization, sale and issuance of the Series 2023 Bonds by the Issuer, and approving the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xiv) certified copies of the resolutions adopted by the Foundation authorizing the execution and delivery of the Foundation Documents, authorizing the approval of the Indenture and the authorization, sale and issuance of the Series 2023 Bonds by the Issuer, and approving the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xv) certified copies of the resolutions adopted by each Red Apple authorizing the execution and delivery of the Red Apple Documents to which it is a party, authorizing the approval of the Indenture and the authorization, sale and issuance of the Series 2023 Bonds by the Issuer, and approving the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xvi) certified copies of the resolutions adopted by each of the Managers authorizing the execution and delivery of the Management Agreement to which each is a party and the Management Agreements Assignment;

(xvii) certified copies of the resolutions adopted by CSUSA authorizing the execution and delivery of the CSUSA Documents, and approving the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xviii) certified copies of the Bond Resolution and any supplemental resolutions adopted by the Issuer authorizing the issuance, sale and delivery of the Series 2023 Bonds, the execution and delivery of the Issuer Documents, and acknowledging the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xix) copies of all certificates or documents specified in the Loan Agreement or the Indenture as conditions precedent to the issue and sale of the Series 2023 Bonds;

(xx) written consent of Keefe, McCullough & Co., LLP to the inclusion of the (A) the audited financial statements included in Appendix B to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and (B) the examined forecast included in Appendix C to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xxi) written consent from [_____] (the "Phase I Consultant") regarding the inclusion of references to the Phase I Consultant and its Phase I Environmental Site Assessments in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum;

(xxii) evidence reasonably satisfactory to the Underwriter to the effect that the insurance coverage of the Borrower, the Foundation and Red Apple complies with all applicable requirements in the Loan Agreement, the Foundation Lease, the Red Apple Leases, and the Mortgages;

(xxiii) receipt or other evidence that the recordable Red Apple Documents, and the Mortgages have been or will be, on the Closing Date and concurrently with the issuance of the Series 2023 Bonds, filed for record with the office of the county recorder of the respective county;

(xxiv) receipt or other evidence that financing statements have been or will be filed for record with the office of the Recorders of Lee County or Manatee County Florida, as applicable, and Secretary of State of Florida with respect to the assignments made and the security interests granted in or pursuant to the Indenture, the Loan Agreement, the Foundation Lease, the Mortgages and the Red Apple Leases;

(xxv) receipt by the Trustee of a title insurance policy, in form and substance acceptable to the Underwriter, insuring the Borrower's and Red Apple's interest in and a commitment to issue an extended form lender's title insurance policy insuring the Trustee's interest in and lien against the real estate described in the Mortgages, subject to Permitted Liens, in an amount not less than the original aggregate principal amount of the Bonds;

(xxvi) evidence that the Series 2023A Bonds have been approved by an "applicable elected representative" for purposes of Section 147(f) of the Code;

(xxvii) evidence that none of the Borrower, the Foundation, nor Red Apple is liable for any indebtedness secured by the Project or the Facilities except as disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "DEBT SERVICE REQUIREMENTS" and the caption "BONDHOLDERS' RISKS - Limited Liability of the Borrower;"

(xxviii) closing certificates of the Borrower, the Foundation, Red Apple, CSUSA, the Managers, and the Issuer with respect to incumbency, corporate approval and disclosure matters, and such other matters as are requested by Bond Counsel, the Underwriter, or its counsel, and confirming the representations and warranties set forth herein;

(xxix) any other document as the Underwriter, counsel to the Underwriter or Bond Counsel may reasonably request to evidence compliance with all laws, rules and regulations relating to the validity of the Series 2023 Bonds, this Agreement and the agreements contemplated hereby and to demonstrate the exclusion from gross income for federal income tax purposes of the interest on the Series 2023A Bonds;

(xxx) evidence that the Borrower has complied with all conditions precedent to the incurrence of additional debt applicable to the Borrower;

(xxxi) evidence that the Foundation has complied with all conditions precedent to the incurrence of additional debt applicable to the Foundation;

(xxxii) receipt of Investor Letter in form as attached to the Limited Offering Memorandum as Appendix I; and

(xxxiii)such certificates and opinions as to the information appearing in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum as may be reasonably required by the Underwriter or its counsel.

All such opinions, certificates, letters and documents shall be in compliance with the provisions hereof only if they are in all material respects reasonably satisfactory to the Underwriter and to its counsel.

If any condition to the Underwriter's obligation hereunder that is to be satisfied prior to the Closing Date is not so satisfied, this Agreement shall be terminated unless the Underwriter agrees to an extension of the time in which such condition is to be satisfied.

The Underwriter may waive in writing compliance by the Borrower or the Issuer of any one or more of the foregoing conditions or extend the time for their performance.

Section 11. **Conditions of Issuer's Obligation**. The obligation of the Issuer to sell the Series 2023 Bonds to or at the direction of the Underwriter is subject to the following conditions:

(a) The representations and warranties of the Borrower, the Foundation Red Apple, CSUSA, and the Underwriter shall be true and correct as of the date hereof and the Closing Date.

(b) At the Closing Date, the Borrower and the Foundation shall have performed all of their obligations hereunder to be performed prior thereto.

(c) The Borrower, the Foundation, Red Apple, and CSUSA shall have furnished or caused to be furnished to the Issuer on the Closing Date certificates satisfactory to the Issuer, counsel to the Underwriter and Bond Counsel as to the accuracy of all representations and warranties contained herein as of the date hereof and as of the Closing Date and as to the performance by the Borrower and the Foundation of all of each of their obligations hereunder to be performed at or prior to the Closing Date.

(d) The Issuer Documents and all agreements and instruments contemplated thereby, shall be in form and substance satisfactory to the Issuer and shall have been duly authorized,

executed and delivered by the respective parties thereto and shall be in full force and effect on the Closing Date.

(e) All proceedings and related matters in connection with the authorization, issue, sale and delivery of the Series 2023 Bonds shall have been satisfactory to the Issuer and Bond Counsel and the Issuer and Bond Counsel shall have been furnished with such papers and information as they may have reasonably requested to enable them to pass upon the matters referred to herein.

(f) The Underwriter shall have executed and delivered to the Issuer on the date hereof the letter attached hereto as Exhibit H required by Section 218.385, Florida Statutes, as amended.

If any condition to the Issuer's obligation hereunder that is to be satisfied prior to the Closing Date is not so satisfied, this Agreement shall be terminated unless the Issuer agrees to an extension of the time in which such condition is to be satisfied. The Issuer may waive in writing compliance by the Borrower, the Foundation, Red Apple, or the Underwriter of any one or more of the foregoing conditions or extend the time for their performance.

Section 12. Representations, Warranties and Agreements to Survive Delivery. The representations, warranties, indemnities (including the indemnities provided in Section 15 hereof), agreements and other statements of the Borrower, the Foundation, Red Apple, CSUSA, the Issuer, and the Underwriter set forth in or made pursuant to this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Borrower, the Foundation, Red Apple, CSUSA, the Issuer, or the Underwriter or controlling person and shall survive delivery of and payment for the Series 2023 Bonds.

Section 13. Payment of Costs and Expenses. Except as otherwise paid from proceeds of the Series 2023 Bonds, the costs related to the issuance of the Series 2023 Bonds are to be paid by the Borrower and include the costs of preparing and reproducing or printing this Agreement, the Issuer Documents, the Borrower Documents, the Foundation Documents, the Red Apple Documents, the CSUSA Documents, the Bond Resolution and any other resolutions of the Issuer, Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, the expenses incurred in connection with the qualification of the Series 2023 Bonds under state securities laws, administrative fees, Underwriter's fees, the fees and disbursements of Bond Counsel and the respective counsel for the Issuer, the Trustee, the Underwriter, the Borrower, the Foundation, Red Apple, and CSUSA, any excise tax on documents and any intangible personal property tax pursuant to Section 159.3, Florida Statutes, and other expenses for which payment or reimbursement is permitted under the provisions of the Loan Agreement, including without limitation the Trustee's acceptance fee, costs of title insurance, recording costs and fees for obtaining CUSIP numbers on the Series 2023 Bonds.

If the Series 2023 Bonds are not delivered to the Underwriter (other than because of a default by the Underwriter) as herein provided, all such expenses shall be paid by the Borrower. Neither the Issuer nor the Underwriter shall be obligated to pay any expenses incurred in connection with the transactions contemplated by this Agreement.

Section 14. **Termination of Agreement**. This Agreement may be terminated at any time prior to the Closing Date by the Underwriter by written notice to the Borrower and the Foundation upon the occurrence of any of the following (any such termination shall be without liability on the Underwriter's part):

(a) (i) legislation shall have been enacted by the Congress, or recommended to the Congress for passage by the President of the United States of America or the U.S. Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (iii) an order, ruling, regulation or communication (including a press release) shall have been issued by the Department of the Treasury of the United States or the Internal Revenue Service, in each case referred to in clauses (i), (ii) and (iii), with the purpose or effect, and reasonable likelihood, directly or indirectly, of imposing federal income taxation upon interest to be received by any holders of the Series 2023A Bonds or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein;

(b) legislation shall have been enacted or any action taken by the Securities and Exchange Commission which, in the reasonable opinion of the Underwriter or its counsel, has the effect of requiring the offering or sale of the Series 2023 Bonds or obligations of the general character of the Series 2023 Bonds, including any or all underlying arrangements and any related security, to be registered under the Securities Act or the Indenture to be qualified as an indenture under the Trust Indenture Act, or any event shall have occurred which, in the reasonable judgment of the Underwriter or its counsel, makes untrue or incorrect in any material respect any statement or information contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or which, in their reasonable judgment, should be reflected therein in order to make the statements contained therein not misleading in any material respect;

(c) (i) in the Underwriter's reasonable judgment, the market price of the Series 2023 Bonds is adversely affected because: (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Series 2023 Bonds or similar obligations, the establishment of minimum prices, or any material restriction not now in force, or increase materially those restrictions now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; (C) a general banking moratorium shall have been established by Federal or States of New York or Florida authorities; or (D) a war involving the United States of America shall have been declared, or any other national or international calamity shall have occurred (including but not limited to, an act of terrorism), or any conflict involving the armed forces of the United States of America shall have escalated to such a magnitude as to materially affect the Underwriter's ability to market the Series 2023 Bonds; (ii) any litigation shall be instituted, pending or overtly threatened to restrain or enjoin the issuance or sale of the Series 2023 Bonds or in any way contesting or affecting any authority or security for or the validity of the Series 2023 Bonds, or the existence or powers of the Issuer; (iii) legislation shall have been introduced in or enacted by

the Legislature of the State of Florida with the purpose or effect, directly or indirectly, of imposing State income taxation upon interest to be received by any holders of the Series 2023 Bonds, (iv) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Borrower or the Foundation, their property, income securities (or interest thereon), (v) any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Limited Offering Memorandum, (vi) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any obligations of the Borrower or the Foundation, (vii) the purchase of and payment for the Series 2023 Bonds by the Underwriter, or the resale of the Series 2023 Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, (viii) any action has been taken by any agency of the United States government with the purpose or effect, directly or indirectly, of imposing federal income taxation upon interest to be received by any holders of the Series 2023A Bonds or which would, in the Underwriter's reasonable judgment, adversely affect the security for the Series 2023 Bonds;

(d) there shall have occurred any change which, in the reasonable judgment of the Underwriter, makes unreasonable or unreliable any of the assumptions upon which (i) the payment of debt service on the Series 2023 Bonds or (ii) the basis for the exemption of interest on the Series 2023A Bonds from federal income taxation is predicated;

(e) trading in securities on the New York Stock Exchange or the American Stock Exchange having been suspended or limited or minimum prices shall have been established on either such Exchange; or

(f) any material (in the sole opinion of the Underwriter) change to the Charter School Act or funding for Florida charter schools has been enacted or proposed by the legislative or executive branches of Florida state government.

Section 15. Indemnification.

(a) The Borrower and the Foundation agree, jointly and severely, (i) to indemnify and hold harmless the Issuer Indemnified Parties (as defined in the Indenture), the Underwriter, and each person, if any, who controls the Issuer Indemnified Party or the Underwriter within the meaning of Section 15 of the Securities Act, and each and all and any of them (collectively, the "Indemnified Parties"), from and against any and all losses, claims, damages, liabilities or actions to the extent that such losses, claims, damages, liabilities or actions were caused by or based upon or relate in any way to (I) the Borrower's or the Foundation's failure to fulfill its obligations hereunder, (II) the sale of the Series 2023 Bonds, the issuance thereof, or the Issuer Documents, the Foundation Documents or the Borrower Documents, or (III) any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or the omission or alleged omission to state therein a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, except, with respect to the Issuer, for any liability arising as a result of a material misstatement or omission with respect to

the information contained under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," and except, with respect to the Underwriter, for any liability arising (A) as a result of a material misstatement or omission with respect to the information contained under the caption "UNDERWRITING; LIMITED OFFERING," (B) with respect to the maturities, stated interest rates and prices of the Series 2023 Bonds listed on the inside cover page of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, or (C) with respect to the provisions of Section 15(d)(ii) and (iii) below; and (ii) (except as otherwise provided in paragraph (e) below) to reimburse the Issuer Indemnified Party, the Underwriter, any member, director, officer, agent, official, or employee of or counsel to the Issuer Indemnified Party or the Underwriter, and each such controlling person, if any, for any legal or other expenses reasonably incurred by them in defending any such action, including but not limited to any reasonable attorneys' fees. This indemnification provision shall not be construed as a limitation on any other liability which the Borrower or the Foundation may otherwise have to any Indemnified Party, provided that in no event shall the Borrower or the Foundation be obligated for double indemnification.

(b) Red Apple agrees (i) to indemnify and hold harmless the Issuer Indemnified Parties, the Underwriter, and each person, if any, who controls the Issuer Indemnified Party or the Underwriter within the meaning of Section 15 of the Securities Act, and each and all and any of them (collectively, the "Indemnified Parties"), from and against any and all losses, claims, damages, liabilities or actions to the extent that such losses, claims, damages, liabilities or actions were caused by or based upon or relate in any way to (I) Red Apple's failure to fulfill its obligations hereunder, (II) the sale of the Series 2023 Bonds, the issuance thereof, or the Issuer Documents or Red Apple's Documents, or (III) any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or the omission or alleged omission to state therein a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, except, with respect to the Issuer, for any liability arising as a result of a material misstatement or omission with respect to the information contained under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," and except, with respect to the Underwriter, for any liability arising (A) as a result of a material misstatement or omission with respect to the information contained under the caption "UNDERWRITING; LIMITED OFFERING," (B) with respect to the maturities, stated interest rates and prices of the Series 2023 Bonds listed on the inside cover page of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, or (C) with respect to the provisions of Section 15(d)(ii) and (iii) below; and (ii) (except as otherwise provided in paragraph (e) below) to reimburse the Issuer Indemnified Party, the Underwriter, any member, director, officer, agent, official, or employee of or counsel to the Issuer Indemnified Party or the Underwriter, and each such controlling person, if any, for any legal or other expenses reasonably incurred by them in defending any such action, including but not limited to any reasonable attorneys' fees. This indemnification provision shall not be construed as a limitation on any other liability which any Red Apple may otherwise have to any Indemnified Party, provided that in no event shall any Red Apple be obligated for double indemnification.

(c) CSUSA agrees (i) to indemnify and hold harmless the Issuer Indemnified Parties, the Underwriter, and each person, if any, who controls the Issuer Indemnified Party or the Underwriter within the meaning of Section 15 of the Securities Act, and each and all and any of

them (collectively, the "Indemnified Parties"), from and against any and all losses, claims, damages, liabilities or actions to the extent that such losses, claims, damages, liabilities or actions were caused by or based upon or relate in any way to any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or the omission or alleged omission to state therein a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, except, with respect to the Issuer, for any liability arising as a result of a material misstatement or omission with respect to the information contained under the captions "THE ISSUER" and "LITIGATION – No Proceedings Against The Issuer," and except, with respect to the Underwriter, for any liability arising (A) as a result of a material misstatement or omission with respect to the information contained under the caption "UNDERWRITING; LIMITED OFFERING," (B) with respect to the maturities, stated interest rates and prices of the Series 2023 Bonds listed on the inside cover page of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, or (C) with respect to the provisions of Section 15(d)(ii) and (iii) below, and (ii) (except as otherwise provided in paragraph (e) below) to reimburse the Issuer Indemnified Party, the Underwriter, any member, director, officer, agent, official, or employee of or counsel to the Issuer Indemnified Party or the Underwriter, and each such controlling person, if any, for any legal or other expenses reasonably incurred by them in defending any such action, including but not limited to any reasonable attorneys' fees. This indemnification provision shall not be construed as a limitation on any other liability which CSUSA may otherwise have to any Indemnified Party, provided that in no event shall CSUSA be obligated for double indemnification.

(d) The Underwriter agrees to indemnify and hold harmless the Borrower, the Foundation, Red Apple, CSUSA and the Issuer Indemnified Parties and each member, director, officer, agent or employee of the Borrower, the Foundation, Red Apple, CSUSA or the Issuer Indemnified Party and each person, if any, who controls the Borrower, the Foundation, Red Apple, CSUSA and the Issuer Indemnified Party within the meaning of the Securities Act and the Exchange Act (also "Indemnified Parties"), against any loss, damage, claim, liability or expense arising out of or based upon any allegation that (i) any of the information in or in connection with the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum contained under the caption "UNDERWRITING; LIMITED OFFERING" or with respect to the maturities, interest rates and prices of the Series 2023 Bonds listed on the inside cover page of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum contains an untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) any statement, representation or information made by the Underwriter in connection with the offer or sale of the Series 2023 Bonds (other than pursuant to the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or other than with respect to information supplied by the Borrower, the Foundation or Red Apple but only to the extent not discoverable by the Underwriter through the exercise of reasonable due diligence) includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or (iii) the Underwriter failed to comply with any registration requirements of the Underwriter applicable to the Underwriter or the Series 2023 Bonds under any state securities or "Blue Sky" laws of any jurisdiction in which such registration or qualification is required or any failure by the Underwriter to deliver the Preliminary Limited

Offering Memorandum or the Limited Offering Memorandum, following delivery to the Underwriter, to purchasers of the Series 2023 Bonds in accordance with applicable securities laws and regulations, and to reimburse the Borrower, the Foundation and the Issuer Indemnified Party, and any member, director, officer, agent, official, or employee of or counsel to the Issuer Indemnified Party or the Borrower or the Foundation, for any legal or other expenses reasonably incurred by them in defending any such action, including but not limited to reasonable attorneys' fees.

(e) In case any action shall be brought against any of the Indemnified Parties in respect of which the Borrower, the Foundation, Red Apple, CSUSA or the Underwriter, as the case may be, is or are required to indemnify the other Indemnified Parties pursuant to the provisions of the preceding paragraphs, the Indemnified Parties shall promptly notify the Borrower, the Foundation, Red Apple, CSUSA or the Underwriter, as the case may be, in writing and the Borrower, the Foundation, Red Apple, CSUSA or the Underwriter, as the case may be, shall assume the defense thereof, including the employment of counsel and the payment of all expenses. The Indemnified Parties shall have the right to employ separate counsel in any such action and participate in the defense thereof if the Indemnified Parties reasonably conclude that a potential conflict of interest exists between them and the Borrower, the Foundation, Red Apple, CSUSA or the Underwriter, as the case may be, but the reasonable fees and expenses of such counsel shall be at the expense of the party providing the indemnity. The Borrower, the Foundation, Red Apple CSUSA or the Underwriter, as the case may be, shall not be liable for any settlement of any such action effected without the consent of such party, but if settled with the consent of such party, or if there be a final judgment for the plaintiff in any such action, the Borrower, the Foundation, Red Apple, CSUSA or the Underwriter, as the case may be, agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment, including but not limited to reasonable attorneys' fees.

(f) In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in this Section is for any reason held to be unavailable, the Borrower and the Underwriter agree that each shall contribute proportionately to the aggregate liabilities to which the Borrower and the Underwriter may be subject pursuant to this Section, so that the Underwriter is responsible for that portion represented by the percentage that the fees paid by the Borrower to the Underwriter in connection with the issuance and sale of the Series 2023 Bonds bears to the aggregate offering price of the Series 2023 Bonds, with the Borrower responsible for the balance; provided, however, that in no case shall the Underwriter be responsible for any amount in excess of the fees paid by the Borrower to the Underwriter in connection with the issuance and sale of the Series 2023 Bonds.

(g) Notwithstanding anything herein to the contrary, with respect to the Issuer and the Issuer Indemnified Parties, the provisions of this Section 15 are supplemental to any other indemnification given by the Borrower or the Foundation to the Issuer and the Issuer Indemnified Parties and to the extent of a conflict between the provisions thereof and hereof, the provisions thereof shall control.

Section 16. **Notices**. Any notice or other communication required or permitted to be given hereunder shall be in writing and, except as otherwise provided, shall be deemed to have been given on the date the same is personally delivered or deposited in the United States mail,

registered or certified, return receipt requested, postage prepaid, or deposited with an air courier service with proof of delivery, addressed to the party to which the notice or other communication is to be given:

To the Issuer:	Lee County Industrial Development Authority c/o Knott Ebelini Hart 1625 Hendry Street, Suite 301 Fort Myers, Florida 33901 Attention: Thomas B. Hart Telephone: (239) 334-2722
To the Trustee:	Regions Bank Corporate Trust, 7th Floor 400 West Capitol Avenue Little Rock, Arkansas 72201 Attention: Corporate Trust Telephone: (501) 371-6728 Facsimile: (501) 371-3262
To the Foundation: or Borrower	Southwest Charter Foundation, Inc. Lee County Community Charter Schools, LLC 800 Corporate Drive, Suite 700 Fort Lauderdale, Florida 33334 Attention: Ken Haiko, Chair Telephone: (954) 202-3500
To Red Apple:	Red Apple at Manatee, LLC Red Apple at Gateway EXP, LLC 800 Corporate Drive, Suite 124 Fort Lauderdale, Florida 33334 Attention: John Hage, President Telephone: (954) 202-3500 Facsimile: (954) 202-3512
To CSUSA:	Charter Schools USA, Inc. 800 Corporate Drive, Suite 124 Fort Lauderdale, Florida 33334 Attention: John Hage, President Telephone: (954) 202-3500 Facsimile: (954) 202-3512
To Underwriter:	Herbert J. Sims & Co., Inc. 2150 Post Rd #301 Fairfield, Connecticut 06824 Attention: Richard F. Harmon Telephone: 614-506-1976 Email: rharmon@hjsims.com

Section 17. **Severability**. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be inoperative, invalid or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions because it conflicts with any provisions of the Constitution, any statute, rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperable or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

Section 18. **Parties in Interest**. This Agreement shall be binding upon and shall inure to the benefit of the Issuer, the Borrower, the Foundation, Red Apple, CSUSA, and the Underwriter, and, to the extent expressed, any person controlling the Borrower, the Foundation, Red Apple, CSUSA, the Issuer, or the Underwriter and their respective executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" shall not include any purchaser of a Bond, as such purchaser, from the Underwriter.

Section 19. **Time of the Essence**. Time shall be of the essence of this Agreement.

Section 20. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute a single agreement.

Section 21. **Headings**. Headings in this Agreement have been provided for convenience of reference only and shall not affect the interpretation of this Agreement.

Section 22. **Amendments**. This Agreement may be amended only by a written instrument signed by the parties hereto.

Section 23. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

Section 24. **Effective Date and Time**. This Agreement shall become effective upon the acceptance hereof by the Underwriter, the Issuer, the Borrower, the Foundation, Red Apple, and CSUSA.

[Remainder of page intentionally left blank; signature page follows]

If the foregoing is in accordance with your understanding of this Agreement, kindly sign and return to us the enclosed duplicate copies hereof, whereupon it will become a binding agreement among the Issuer, the Borrower, the Foundation, Red Apple, CSUSA and the Underwriter in accordance with its terms and dated the date first written above.

Very truly yours,

HERBERT J. SIMS & CO., INC.

By: _____
Aaron Rulnick, Managing Principal

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
[Name, Title]

SOUTHWEST CHARTER FOUNDATION, INC.

By: _____
Ken Haiko, Chairman

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

By: _____
[Name, Title]

RED APPLE AT MANATEE, LLC
RED APPLE AT GATEWAY EXP, LLC

By: _____
Jonathan K. Hage, President

CHARTER SCHOOLS USA, INC.

By: _____
Jonathan K. Hage, President

Exhibit A

$[XXX]
Lee County Industrial Development Authority
Industrial Development Authority Bonds
(Lee County Community Charter Schools, LLC Projects), Series 2023A

Maturity Date (June 15)	Principal Amount ($)	Interest Rate (%)	Price (%)	Yield (%)

[C] Yield calculated to first optional redemption date of June 15, 20__.

Mandatory Sinking Fund Redemption. The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on _____ 15, 20__, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

[**] Final Maturity

The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on December 15, 20__, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

**Final Maturity

The Series 2023A Bonds maturing on June 15, 20__, are subject to mandatory sinking fund redemption in part by lot, on December 15, 20__, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

**Final Maturity

Optional Redemption. The Series 2023A Bonds shall be subject to redemption prior to maturity on and after June 15, 20__, in whole or in part, at the written direction of the Borrower at a redemption price equal to 100% of the principal amount so redeemed, plus accrued interest to the redemption date.

[Remainder of page intentionally left blank]

$[YYY]
Lee County Industrial Development Authority
Taxable Industrial Development Authority Bonds
(Lee County Community Charter Schools, LLC Projects)
Series 2023B

Maturity Date (June 15)	Principal Amount ($)	Interest Rate (%)	Price (%)	Yield (%)
	[YYY]			

Mandatory Sinking Fund Redemption. The Series 2023B Bonds are subject to mandatory sinking fund redemption in part by lot, on December 15, 20__, and on each June 15 and December 15 thereafter until and including June 15, 20__, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

**Final Maturity

Optional Redemption. The Series 2023B Bonds are not subject to Optional Redemption prior to maturity.

[Remainder of page intentionally left blank]

Exhibit B

Form of Supplemental Opinion of Bond Counsel

[Closing Date]

Herbert J. Sims & Co., Inc.
Fairfield, Connecticut

Lee County Industrial Development Authority
Fort Meyers, Florida

Re: Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, and Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B

Ladies and Gentlemen:

This supplemental opinion is being delivered to you in connection with the issuance on the date hereof of the Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX] (the "Series 2023A Bonds"), and the Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY] (the "Series 2023B Bonds," and together with the Series 2023A Bonds, the "Bonds"), pursuant to the Bond Purchase Agreement, dated [Pricing Date] (the "Bond Purchase Agreement") among the Lee County Industrial Development Authority (the "LCIDA"), Herbert J. Sims & Co., Inc. (the "Underwriter"), Southwest Charter Foundation, Inc. (the "Foundation), Lee County Community charter Schools, LLC (the "Borrower"), Red Apple at Gateway EXP, LLC, Red Apple at Manatee, LLC and Charter Schools USA, Inc. ("CSUSA"). Capitalized terms used, but not defined herein, shall have the respective meanings assigned such terms in the Bond Purchase Agreement.

We have acted as Borrower's Bond Counsel in connection with the issuance and sale of the Bonds by the LCIDA and in that capacity we have participated in various discussions with representatives of the LCIDA, CSUSA, the Borrower, the Foundation, Red Apple, and the Underwriter and their counsels, relating to the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum. We have also participated in the preparation of the Bonds, the Loan Agreement, the Indenture, the Mortgages, the Foundation Lease and the Loan Agreement Assignment, and have received drafts prepared by others of the Red Apple Leases, the Management Agreements, and the Bond Purchase Agreement. We have also examined the documents referred to in our approving opinion of even date herewith relating to the Bonds and such other documents and matters of law which we deem relevant in rendering this opinion. As to question of fact material to our opinion, we have relied on the representations

of LCIDA, the Foundation and the Borrower contained in the Borrower Documents, the Foundation Documents, the Issuer Documents, the Bond Resolution, and the Bond Purchase Agreement, the certified proceedings and other certifications furnished to us, and certifications furnished to us in connection with the issuance of the Bonds, without undertaking to verify the same by independent investigation. Based on the foregoing, under existing law, it is our opinion that the statements contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum purporting to summarize the provisions of the Loan Agreement, the Indenture, the Foundation Lease, the Mortgages, the Loan Agreement Assignment, the Act or the applicable federal income tax laws related to the tax status of interest on the Bonds under the captions "INTRODUCTION," "THE SERIES 2023 BONDS" (other than the language under the subheading "Book-Entry Only System," as to which no opinion is expressed), "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS," "TAX MATTERS," and in the sections entitled "Indenture of Trust," "Loan Agreement," "Borrower Mortgage," and "Manatee Mortgage" under "APPENDIX F – FORMS OF CERTAIN FINANCING DOCUMENTS" (excluding any financial or statistical data which may be included in any such provisions) fairly and accurately summarize the documents and information which they purport to describe in all material respects.

We hereby consent to all references to us contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, including, without limitation, such references appearing on the front cover thereof and under the captions "TAX MATTERS" and "APPROVAL OF LEGAL PROCEEDINGS" contained therein.

We express no opinion as to the information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum other than as provided above. The opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation or duty to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

This letter is furnished solely for your information and benefit in connection with the offering and sale of the Bonds and may not be used, circulated, quoted or otherwise referred to (except in a compilation of closing documents prepared in connection with the issuance and sale of the Bonds) for any other purpose, nor may it be relied upon by any other party without our express written consent. Please note that no attorney-client relationship has existed or exists between the Underwriter and our firm in connection with the Bonds or by virtue of this letter or our approving opinion.

Respectfully submitted,

WATSON SLOANE PLLC

Exhibit C

Form of Opinion of Counsel to Borrower and Foundation

[Closing Date]

Lee County Industrial Development Authority
1625 Hendry Street, Suite 301
Fort Meyers, Florida

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, Connecticut 06824

Regions Bank, as Trustee
Corporate Trust, 7th Floor
400 West Capitol Avenue
Little Rock, AR 72201

Re: $[XXX] Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A (the "Series 2023A Bonds") and $[YYY] Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B (the "Series 2023B Bonds" and, together with the Series 2023A Bonds, the "Bonds")

Ladies and Gentlemen:

We have acted as counsel to Lee County Community Charter Schools, LLC, a Florida limited liability company (the "Borrower") and its sole member Southwest Charter Foundation, Inc., a not-for-profit corporation duly organized and operating under the laws of the State of Florida (the "Foundation") in connection with the issuance of the Bonds and the purchase of the Bonds (the "Transaction") pursuant to the Bond Purchase Agreement dated [Pricing Date] (the "Bond Purchase Agreement") among Herbert J. Sims & Co., Inc. (the "Underwriter"), Lee County Industrial Development Authority (the "Issuer"), the Borrower, the Foundation, Red Apple at Manatee, LLC, Red Apple at Gateway EXP, LLC, and Charter Schools USA, Inc. ("CSUSA").

Capitalized terms used, but not defined herein, shall have the respective meanings assigned such terms in the Bond Purchase Agreement.

For the purposes of this opinion, in our capacity as counsel to the Borrower and the Foundation, we have examined copies of the following:

(a) Various organizational documents of the Foundation and the Borrower, relating to the issuance of the Bonds, and Articles of Organization of the Borrower, as certified by an officer of the Borrower as being complete, correct, and in effect; the Operating Agreement of the Borrower, as certified by an officer of the Borrower as being complete, correct, and in effect; the

Certificate of Good Standing issued by the State of Florida with respect to the Borrower, dated [DATE]; and the Articles of Incorporation of the Foundation, as amended, as certified by an officer of the Foundation as being complete, correct, and in effect; the Bylaws of the Foundation, as amended, as certified by an officer of the Foundation as being complete, correct, and in effect; the Certificate of Good Standing issued by the State of Florida with respect to the Foundation, dated [DATE]; the Form 990 for the Foundation for the tax years beginning July 1, 2019 and ending June 30, 2020, beginning July 1, 2020 and ending June 30, 2021, and beginning July 1, 2021 and ending June 30, 2022; and letter from the Internal Revenue Service dated [DATE], confirming the Internal Revenue Service determination letter issued in June 2003 indicating Internal Revenue Code Section 501(c)(3) status of the Foundation (collectively, the "Ancillary Documents");

(b) The Preliminary Limited Offering Memorandum dated [PLOM Date], and the appendices thereto (the "Preliminary Limited Offering Memorandum") used in connection with the offer and the sale of the Bonds;

(c) The executed Limited Offering Memorandum, dated [Pricing Date], and the Appendices thereto (the "Limited Offering Memorandum") used in connection with the offer and the sale of the Bonds;

(d) The executed Bond Purchase Agreement;

(e) The executed Indenture of Trust, dated as of April 1, 2007, between the Issuer and Regions Bank, as trustee (the "Trustee") as supplemented by and through the Second Supplemental Indenture of Trust dated as of November 1, 2023 between the Issuer and the Trustee (collectively, the "Indenture");

(f) The executed Loan Agreement, dated as of April 1, 2007, between the Borrower and the Issuer as supplemented by and through the Second Supplemental Loan Agreement dated as of November 1, 2023 between the Borrower and the Issuer (collectively, the "Loan Agreement");

(g) The executed Amended and Restated Lease Agreement by and between the Borrower as lessor and the Foundation as lessee dated as of [DATE] (the "Foundation Lease");

(h) The executed Land Lease Agreement by and between Red Apple at Gateway EXP, LLC, as Landlord, and the Borrower, as Tenant, dated as of November 1, 2023, relating to Gateway Intermediate Charter School and Gateway Charter High School (the "Red Apple Gateway Lease");

(i) The executed Land Lease Agreement by and between Red Apple at Manatee, LLC, as Landlord, and the Borrower, as Tenant, dated as of November 1, 2023, relating to Manatee Charter School (the "Red Apple Manatee Lease" and, together with the Red Apple Gateway Lease, the "Red Apple Leases");

(j) The executed Amended and Restated Management Agreements, effective as of November 1, 2023, each by and between the Foundation and, as applicable, Charter Schools USA at Lehigh Acres, L.C. (for Gateway Charter Elementary School and Gateway Intermediate

Charter School), Charter Schools USA at Gateway, L.C. (for Gateway Charter High School), Charter Schools USA at Cape Coral, L.C. (for Mid Cape Global Academy), Charter Schools USA at Six Mile, L.C. (for Six Mile Charter Academy) and Charter Schools USA at Manatee, LLC (for Manatee Charter School) (collectively, the "Management Agreements");

(k) The executed Collateral Assignment of Management Agreements, dated the date hereof, from the Foundation to the Trustee (the "Management Agreement Assignments");

(l) The executed Charter School Contract dated July 13, 2023, The School Board of Lee County, Florida and the Foundation for Gateway Charter School (the "Gateway Charter");

(m) The executed Charter School Contract dated July 13, 2023, The School Board of Lee County, Florida and the Foundation for Mid Cape Global Academy (the "Mid Cape Charter")

(n) The executed Charter School Contract dated June 13, 2013, The School Board of Lee County, Florida and the Foundation for Six Mile Charter Academy (the "Six Mile Charter")

(o) The executed Charter School Contract dated [DATE], The School Board of Manatee County, Florida and the Foundation for Manatee Charter School (the "Manatee Charter" and, together with the Gateway Charter, the Mid Cape Charter, and the Six Mile Charter, the "Charters");

(p) The executed Collateral Assignment of Red Apple Lease Agreements, dated the date hereof from Red Apple and the Borrower to the Trustee (the "Red Apple Lease Assignment");

(q) The executed Second Supplemental Mortgage and Loan Agreement dated as of November 1, 2023, from the Borrower to the Trustee, granting a first mortgage lien in the Borrower's leasehold interest in the Sites and fee interest in the Facilities to the Trustee (the "Borrower Mortgage");

(r) The executed Continuing Disclosure Agreement, dated as of November 1, 2023, between the Borrower, the Foundation and Digital Assurance Certification, LLC, as dissemination agent (the "Continuing Disclosure Agreement");

(s) The UCC-[1][3] Financing Statement to be filed in the office of the Florida Department of State Secured Transaction Registry ("UCC-[1][3] Financing Statement"), and in the public records of Lee County or Manatee County, Florida, as applicable (collectively, the "UCC-[1][3] Financing Statement (County-Fixture)");

(t) The executed certificates of the Borrower and the Foundation relating to the tax-exempt status of the Series 2023A Bonds (collectively, the "Tax Certificate"); and

(u) Certain certificates of officers and administrators of the Borrower and the Foundation (collectively, the "Certificate to Counsel") and certified copies of certain corporate documents and records of the Borrower and the Foundation, which we have deemed necessary or appropriate in rendering the opinions set forth below.

The Bond Purchase Agreement, the Foundation Lease, the Red Apple Leases, the Red Apple Lease Assignment, the Borrower Mortgage, the Management Agreements, the Management Agreement Assignment, the Charters, the Loan Agreement, the Continuing Disclosure Agreement, and the Tax Certificate are collectively referred to herein as the "Transaction Documents." Terms used herein which are defined terms in the Transaction Documents or in the Indenture shall have the same meanings when used herein.

In rendering the opinions set forth herein, we have relied, without investigation, on each of the following assumptions: (a) the legal capacity of each natural person to take all actions required of each such person in connection with the Transaction; (b) the legal existence of each party to the Transaction other than the Borrower and the Foundation; (c) the power of each party to the Transaction other than the Borrower and the Foundation to execute, deliver and perform all Transaction Documents executed and delivered by such party and to do each other act done or to be done by such party; (d) the authorization, execution and delivery by each party, other than the Borrower and the Foundation, of each Transaction Document executed and delivered or to be executed and delivered by such party; (e) the legality, validity, binding effect and enforceability as to each party, other than the Borrower and the Foundation, of each Transaction Document executed and delivered by such party or to be executed and delivered and of each other act done or to be done by such party; (f) there have been no undisclosed modifications of any provision of any document reviewed by us in connection with the rendering of this opinion letter and no undisclosed prior waiver of any right or remedy contained in any of the Transaction Documents; (g) the genuineness of each signature, the completeness of each document submitted to us, the authenticity of each document reviewed by us as an original, the conformity to the original of each document reviewed by us as a copy and the authenticity of the original of each document received by us as a copy; (h) the truthfulness of each statement as to all factual matters otherwise not known to us to be untruthful contained in any document encompassed within the diligence review undertaken by us; (i) each certificate or other document issued by a public authority is accurate, complete and authentic as of the date of the opinion, and all official public records (including their proper indexing and filing) are accurate and complete; (j) each recipient of the opinion letter has acted in good faith, without notice of any defense against enforcement of rights created by, or adverse claim to any property or security interest transferred or created as part of, the Transaction, and has complied with all laws applicable to it that affect the Transaction; (k) the Transaction and the conduct of the parties to the Transaction comply with any requirement of good faith, fair dealing and conscionability; (l) routine procedural matters such as service of process or qualification to do business in the relevant jurisdiction(s) will be satisfied by the parties seeking to enforce the Transaction Documents; (m) agreements (other than the Transaction Documents as to which opinions are being given) and judgments, decrees and orders reviewed in connection with rendering the opinions will be enforced as written; (n) no action, discretionary or otherwise, will be taken by or on behalf of the Borrower in the future that might result in a violation of law or otherwise constitute a breach or default under any of the Transaction Documents (or any other document related thereto) or under any applicable court order; (o) there are no agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties that would, in either case, define, supplement, modify or qualify the terms of the Transaction Documents or the rights of the parties thereunder; (p) the payment of all required documentary stamp taxes, intangible taxes and other taxes and fees imposed upon the execution, filing or recording of documents; (q) that the fees payable under the Red Apple Leases and the Management Agreements are not greater

than fair market value; and (r) with respect to the Transaction and the Transaction Documents, including the inducement of the parties to enter into and perform their respective obligations thereunder, there has been no mutual mistake of fact or undue influence and there exists no fraud or duress.

When used in this opinion letter, the phrases "to our knowledge," "known to us" and the like means the conscious awareness of the lawyers in the "primary lawyer group" of factual matters such lawyers recognize as being relevant to the opinion or confirmation so qualified, and does not imply that we have undertaken any independent investigation within our firm, with the Borrower or the Foundation or with any third party to determine the existence or absence of any facts or circumstances, and no inference should be drawn merely from our past or current representation of the Borrower or the Foundation. Where any opinion or confirmation is qualified by the phrase "to our knowledge," "known to us" or the like, it means that the lawyers in the "primary lawyer group" are without any actual knowledge or conscious awareness that the opinion or confirmation is untrue in any respect material to the opinion or confirmation. For purposes of this opinion letter, the "primary lawyer group" means: (i) the lawyer who signs his or her name or the name of the firm to this opinion letter, (ii) the lawyers currently in the firm who are actively involved in preparing or negotiating this opinion letter, and (iii) the lawyers currently in the firm who are actively involved in negotiating or documenting the Transaction or the Transaction Documents.

Based upon and subject to the foregoing and to the assumptions, limitations and qualifications contained herein, we are of the opinion that:

1. The Foundation is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Florida with power and authority: (a) to lease property and conduct its business as presently being conducted and as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (b) to execute and deliver the Transaction Documents and the Limited Offering Memorandum; and (c) to carry out and to consummate the transactions to be consummated on its part as described in the Transaction Documents, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

2. The Foundation has been determined to be an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). To our knowledge, after having reviewed the confirmation letter to the Foundation from the Internal Revenue Service, but not including any inquiries of state or federal agencies or officials or any independent factual determinations regarding the representations made to us by the Borrower, (a) the status of the Foundation as an exempt organization described in Section 501(c)(3) of the Code has not been revoked or modified by the Internal Revenue Service; (b) the Foundation is organized exclusively for charitable purposes; (c) the Foundation is organized such that no part of the net earnings of the Foundation may inure to the benefit of any individual; and (d) the operation of the Facilities and the lease of the Facilities, all in accordance with the Transaction Documents, does not constitute an unrelated trade or business of the Foundation.

3. By all corporate action necessary to be taken by the Foundation or on its behalf, the Foundation has duly authorized: (a) the execution and delivery of the Limited Offering

Memorandum and the Transaction Documents; (b) the approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (c) distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum by the Underwriter; and (d) the carrying out, giving effect and consummation of the transactions to be consummated on its part as described in the Transaction Documents.

4. Each Transaction Document and the Limited Offering Memorandum has been duly executed and delivered on behalf of the Foundation. Each Transaction Document, assuming the due authorization, execution and delivery of the Transaction Documents by all the other parties thereto (other than the Foundation), constitutes a legal, valid and binding obligation of the Foundation, enforceable in accordance with its terms, except as qualified herein and subject to: (a) the effect of applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws or equitable principles affecting or qualifying the rights of creditors generally; (b) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity); and (c) the fact that certain remedies, waivers, and other provisions of the Transaction Documents may not be enforceable but, subject to the qualifications set forth in the foregoing subparagraphs (a) and (b), such unenforceability will not preclude (i) the enforcement of the obligations of the Foundation to pay principal and interest or lease payments (to the extent not deemed a penalty) as provided in the Transaction Documents, and (ii) the foreclosure of the liens set forth in the Borrower Mortgage upon a material breach or default of any material provision in the Transaction Documents.

5. Neither the execution and delivery on the part of the Foundation of the Transaction Documents and the Limited Offering Memorandum nor the consummation of the transactions to be consummated by the Foundation therein will adversely affect the Borrower's tax-exempt status or result in a violation of any provision of, or constitute a default under, (a) the Articles of Incorporation or Bylaws of the Foundation; (b) to our knowledge, any agreement or other instrument to which the Foundation is now a party or by which it or any of its properties is bound, including, but not limited to, the Charters; and (c) any existing constitutional provision, law or governmental rule or regulation applicable to the Foundation.

6. The Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida with power and authority: (a) to own its property and conduct its business as presently being conducted and as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (b) to execute and deliver the Transaction Documents and the Limited Offering Memorandum; and (c) to carry out and to consummate the transactions to be consummated on its part as described in the Transaction Documents, the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

7. By all corporate action necessary to be taken by the Borrower or on its behalf, the Borrower has duly authorized: (a) the execution and delivery of the Limited Offering Memorandum and the Transaction Documents; (b) the approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (c) distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum by the Underwriter; and (d) the carrying out, giving effect and consummation of the transactions to be consummated on its part as described in the Transaction Documents.

8. Each Transaction Document and the Limited Offering Memorandum has been duly executed and delivered on behalf of the Borrower. Each Transaction Document, assuming the due authorization, execution and delivery of the Transaction Documents by all the other parties thereto (other than the Borrower), constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, except as qualified herein and subject to: (a) the effect of applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws or equitable principles affecting or qualifying the rights of creditors generally; (b) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity); and (c) the fact that certain remedies, waivers, and other provisions of the Transaction Documents may not be enforceable but, subject to the qualifications set forth in the foregoing subparagraphs (a) and (b), such unenforceability will not preclude (i) the enforcement of the obligations of the Borrower to pay principal and interest or lease payments (to the extent not deemed a penalty) as provided in the Transaction Documents, and (ii) the foreclosure of the liens set forth in the Borrower Mortgage upon a material breach or default of any material provision in the Transaction Documents.

9. Neither the execution and delivery on the part of the Borrower of the Transaction Documents and the Limited Offering Memorandum nor the consummation of the transactions to be consummated by the Borrower therein will adversely affect the Borrower's tax-exempt status or result in a violation of any provision of, or constitute a default under, (a) the Articles of Incorporation or Bylaws of the Borrower; (b) to our knowledge, any agreement or other instrument to which the Borrower is now a party or by which it or any of its properties is bound; and (c) any existing constitutional provision, law or governmental rule or regulation applicable to the Borrower.

10. The statements and information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum with respect to the Borrower, the Foundation, the Transaction Documents, the Borrower Documents, the Foundation Documents, the Schools, the Project, the Facilities, the Sites, and the Borrower's and the Foundation's business, affiliates, financial condition, properties and officers, and operation and funding of charter schools in the State, including but not limited to the statements and information under the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum headings "SUMMARY STATEMENT," "INTRODUCTION," "THE BORROWER AND THE SCHOOLS," "ESTIMATED SOURCES AND USES OF FUNDS," "PLAN OF FINANCE," "BONDHOLDERS' RISKS," "LITIGATION," "FINANCIAL STATEMENTS," "EXAMINED FORECAST," "CONTINUING DISCLOSURE," and in Appendices A, B, C, D, and E to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, were, as of the dates thereof, and are, as of the date hereof, true and correct in all material respects. Based upon the information made available to us in the course of our participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, nothing has come to the attention of the lawyers in this firm rendering professional services in connection with the issuance of the Bonds that would lead them to believe that the statements and information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (other than (i) any financial information (including pro forma information) or

statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (ii) any statements and information relating to the Issuer, The Depository Trust Company and its nominee and book-entry system; and (iii) Appendices F, G, and H), as of the date thereof or as of the date hereof, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

11. Except for actions to be taken by and filings to be made with the Issuer, no approval or other action by any governmental authority or agency is required as a condition to the due execution or performance by the Borrower or the Foundation of the transactions contemplated by the Transaction Documents, except for such approvals as may be required by any state securities or "Blue Sky" laws. We express no opinion regarding compliance of the Borrower with federal securities laws and regulations or state securities or "Blue Sky" laws in connection with issuance of the Bonds.

12. To our knowledge, based upon certifications of the Borrower and litigation docket searches, there is no action, suit, proceeding, inquiry or investigation at law or in equity or by any judicial or administrative court, agency, body or other entity pending with respect to which the Borrower has received notice or overtly threatened against the Borrower or any of its properties wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of the Transaction Documents.

13. To our knowledge, based upon certifications of the Foundation and litigation docket searches, there is no action, suit, proceeding, inquiry or investigation at law or in equity or by any judicial or administrative court, agency, body or other entity pending with respect to which the Foundation has received notice or overtly threatened against the Borrower or any of its properties wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of the Transaction Documents.

14. The Borrower Mortgage is effective to create a valid lien against the Borrower's real property interests in favor of the Trustee in the real property and fixtures described in the Borrower Mortgage (the "Real Property Collateral"). The Borrower Mortgage is in a form sufficient for recording in the Public Records of the counties in which the Real Property Collateral is located ("Local Filing Office"). Upon proper recording of the Borrower Mortgage in each Local Filing Office, the Borrower Mortgage will create constructive notice of the lien on the Real Property Collateral located in the applicable county. The UCC-[1][3] Financing Statement (County - Fixture) is in acceptable form for recording in the Public Records of [Lee County or Manatee County, Florida, as applicable].

15. The Borrower Mortgage is effective to create in favor of the Trustee a security interest in the Borrower's personal property described in the Borrower Mortgage (collectively, the "Personal Property Collateral") to the extent that a security interest may be created under Article 9 of the Uniform Commercial Code ("UCC"). The UCC-[1][3] Financing Statement is in an acceptable form for filing with the Florida Department of State Secured Transaction Registry (the "State Filing Office"). Upon the proper filing of the UCC-[1][3] Financing Statement with

and the acceptance by the State Filing Office, the Trustee will have a perfected security interest in such portion of the Personal Property Collateral in which, and only to the extent that, a security interest may be perfected by filing a financing statement under Article 9 of the UCC.

Each opinion expressed in this letter is limited to and based upon the information actually obtained by us from the examinations specifically described above and review of our files, and upon certifications of the Borrower and the Foundation made to us or contained in the Transaction Documents without any additional independent review or investigation of records of or pertaining to the Borrower, the Foundation, the Issuer or the Trustee, and from information we have become aware of in our examination of the Transaction Documents themselves and, with your express consent and agreement, we have not conducted any other investigations.

We do not express any opinion as to the laws of any jurisdiction other than the State of Florida and the United States of America.

This opinion is rendered solely for the benefit of the parties to whom it is addressed and for the benefit of Watson Sloane PLLC and Nabors, Giblin & Nickerson, P.A., who, with our consent, are relying on this opinion in connection with their written opinions of this date in connection with the issuance of the Bonds. No other person shall be entitled to rely on any matters set forth herein without the express written consent of the undersigned. Further, copies of this opinion letter may not be furnished to any other party, nor may any portion of this letter be quoted, circulated or referred to in any other document without our prior written consent. Notwithstanding the foregoing, this opinion letter may be referred to in the bond transcript relating to the Bonds, provided, however, that no one other than the named addressees of this opinion letter and Watson Sloane PLLC and Nabors, Giblin & Nickerson, P.A. may rely on this opinion letter except with our prior written consent.

This opinion is limited to the matters set forth herein, and no opinion may be inferred or implied beyond that expressly stated herein.

This opinion letter speaks only as of the date hereof and we assume no obligation to update or supplement this opinion letter if any applicable laws change after the date of this opinion letter or if we become aware after the date of this opinion letter of any facts, whether existing before or arising after the date hereof, that might change the opinions expressed above.

Sincerely,

Law Offices of Levi Williams, P.A.

Exhibit D

Form of Opinion of Counsel to Issuer

[Closing Date]

Exhibit E

Form of Opinion of Counsel to Red Apple, Managers and CSUSA

[Closing Date]

Regions Bank, as Trustee
Corporate Trust, 7th floor
400 West Capitol Avenue
Little Rock, AR 72201

Lee County Industrial Development Authority
1625 Hendry Street, Suite 301
Fort Meyers, Florida

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, CT 06824

Re: Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, and Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B

Ladies and Gentlemen:

We have acted as counsel to the following limited liability companies organized under the laws of the State of Florida:

1. Red Apple at Gateway EXP, LLC;
2. Red Apple at Manatee, LLC;
3. Charter Schools USA at Gateway, L.C.;
4. Charter Schools USA at Lehigh Acres, L.C.;
5. Charter Schools USA at Cape Coral, L.C.;
6. Charter Schools USA at Six Mile, L.C.; and
7. Charter Schools USA at Manatee, LLC.

(entities listed in 1-2 above, referred to as the "LLC Landlords," and entities listed 3-7 above, the "Managers"), and to Red Apple Development, LLC, a Florida limited liability company, the sole managing member of the LLC Landlords ("RAD"), and Charter Schools USA, Inc., a Delaware corporation ("CSUSA") in connection with the issuance on this day of the Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX] (the "Series 2023A Bonds"), and the Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY] (together with the Series

2023A Bonds, the "Bonds") pursuant to the Bond Purchase Agreement, dated [Pricing Date] (the "Bond Purchase Agreement") among the Lee County Industrial Development Authority (the "Issuer"), Herbert J. Sims & Co., Inc. (the "Underwriter"), the LLC Landlords, Southwest Charter Foundation, Inc. (the "Foundation"), Lee County Community Charter Schools, LLC (the "Borrower") and CSUSA.

Capitalized terms used, but not defined herein, shall have the respective meanings assigned such terms in the Bond Purchase Agreement.

For the purposes of this opinion, in our capacity as counsel to the LLC Landlords, the Managers, RAD, and CSUSA, we have examined copies of the following:

a. The Articles of Organization and the Operating Agreement of each LLC Landlord and various resolutions adopted by RAD, as the sole managing member of the LLC Landlords;

b. The Articles of Organization and Operating Agreement of, and various resolutions adopted by the sole managing member of the Managers;

c. The Articles of Incorporation and the Bylaws of CSUSA and various resolutions adopted by the board of directors of CSUSA;

d. The Preliminary Limited Offering Memorandum dated [PLOM Date], and the appendices thereto (the "Preliminary Limited Offering Memorandum") used in connection with the offer and the sale of the Bonds;

e. The Limited Offering Memorandum, dated [Pricing Date], and the appendices thereto (together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memorandum") used in connection with the offer and the sale of the Bonds;

f. The executed Mortgage and Security Agreement dated as of November 1, 2023, from Red Apple at Gateway EXP, LLC, to the Trustee (the "Gateway Mortgage");

g. The executed Mortgage and Security Agreement dated as of November 1, 2023, from Red Apple at Manatee, LLC, to the Trustee (the "Manatee Mortgage," and the Gateway Mortgage, each a "Mortgage" and, collectively, the "Mortgages");

h. The executed Land Lease Agreement by and between Red Apple at Gateway EXP, LLC, as Landlord, and the Borrower, as Tenant, dated as of November 1, 2023, relating to Gateway Intermediate Charter School and Gateway Charter High School (the "Red Apple Gateway Lease");

i. The executed Land Lease Agreement by and between Red Apple at Manatee, LLC, as Landlord, and the Borrower, as Tenant, dated as of November 1,

2023, relating to Manatee Charter School (the "Red Apple Manatee Lease" and, together with the Red Apple Gateway Lease, the "Red Apple Leases");

j. Collateral Assignment of Red Apple Lease Agreements, dated as of the Closing Date, by and among the Borrower, the LLC Landlord, and the Trustee (the "Red Apple Lease Assignment");

k. The executed Amended and Restated Management Agreements, effective as of November 1, 2023, each by and between the Foundation and, as applicable, Charter Schools USA at Lehigh Acres, L.C. (for Gateway Charter Elementary School and Gateway Intermediate Charter School), Charter Schools USA at Gateway, L.C. (for Gateway Charter High School), Charter Schools USA at Cape Coral, L.C. (for Mid Cape Global Academy), Charter Schools USA at Six Mile, L.C. (for Six Mile Charter Academy) and Charter Schools USA at Manatee, LLC (for Manatee Charter School) (collectively, the "Management Agreements");

l. Collateral Assignment of Management Agreements and Consent by Managers, dated as of the Closing Date, by and among the Foundation, the Trustee and the Managers (the "Management Agreements Assignment");

m. UCC-[1][3] Financing Statement to be filed in the office of the Florida Department of State Secured Transaction Registry ("UCC-[1][3] Financing Statement"), and in the public records of [_____] County, Florida (the "UCC-[1][3] Financing Statement (County-Fixture)");

n. Certain Certificates of public officials, officers and administrators of the LLC Landlords, RAD, and CSUSA, and certified copies of certain corporate documents and records of the LLC Landlords, RAD, and CSUSA, which we have deemed necessary or appropriate in rendering the opinion set forth below; and

o. Such other agreements, documents, certificates, opinions, letters and other papers, including all documents delivered or distributed at the closing of the sale of the Bonds, as we have deemed necessary or appropriate in rendering the opinions set forth below. For purposes of this opinion, the documents referenced in paragraphs d. through n. above are referenced herein as the "Transaction Documents."

In our factual examination we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified or photostatic copies, the authenticity of the originals of such latter documents and the accuracy of the statements contained in such certificates and documents, without undertaking to verify the same by independent investigation. Our opinion is based upon facts of which we have actual knowledge as the date of this opinion and laws in effect on the date of this opinion.

Based upon the foregoing, and upon our examination of such other information and documents, and upon such questions of law as we believe necessary to enable us to render this

opinion, and subject to the qualifications and exceptions hereinafter set forth, we are of the opinion that under the applicable laws of the United States of America and the State of Florida, and State of Delaware with respect to CSUSA, in force and effect on the date hereof:

1. Each LLC Landlord is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida with the power and authority to: (i) own its own property and conduct its business as presently being conducted and as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (ii) to execute and deliver the Limited Offering Memorandum, the Transaction Documents to which it is a party, the Mortgage to which it is a party, the Bond Purchase Agreement, and the leases, and assignments referenced in paragraphs d. through and including j. above to which it is a party (collectively, the "LLC Landlord Documents"); and (iii) to carry out and to consummate the transactions to be consummated on its part as described in the leases and assignments referenced in paragraphs k. through and including m. above to which it is a party, and the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

2. CSUSA is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware with corporate power and authority to own its own property and conduct its business as presently being conducted and as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

3. Each Manager is a limited corporation or limited liability company, as applicable, duly organized, validly existing and in good standing under the laws of the State of Florida with the power and authority to: (i) own its own property and conduct its business as presently being conducted and as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (ii) to execute and deliver the Management Agreement Assignment and the Management Agreement referenced in paragraphs k. through and including l. above, to which it is a party (collectively, the "Manager Documents"); and (iii) to carry out and to consummate the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

4. By all company action necessary to be taken by the LLC Landlords, each LLC Landlord has duly authorized: (i) the execution and delivery of the LLC Landlord Documents, (ii) approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; and (iii) the carrying out, giving effect to and consummation of the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

5. By all company action necessary to be taken by the Managers, each Manager has duly authorized: (i) the execution and delivery of the Manager Documents, (ii) approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; and (iii) the carrying out, giving effect to and consummation of the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Manager Documents.

6. By all corporate action necessary to be taken by CSUSA, it has duly authorized: (i) the execution and delivery of the Bond Purchase Agreement (the "CSUSA Document"),

(ii) approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; and (iii) the carrying out, giving effect to and consummation of the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

7. Each of the Limited Offering Memorandum and the LLC Landlord Documents has been duly authorized, executed and delivered on behalf of the respective LLC Landlords and each constitutes the legal, valid and binding obligation of the respective LLC Landlord, enforceable in accordance with its respective terms, except as qualified herein.

8. Each of the Manager Documents has been duly authorized, executed and delivered by the respective Manager, and each constitutes the legal, valid and binding obligation of such Manager, enforceable in accordance with its terms, except as qualified herein. The execution and delivery of each of the Manager Documents by CSUSA as the sole member of the applicable Manager, has been duly authorized, executed and delivered by CSUSA, as the sole member of the applicable Manager.

9. The CSUSA Document has been duly authorized, executed and delivered by CSUSA and constitutes the legal, valid and binding obligation of CSUSA, enforceable in accordance with its terms, except as qualified herein.

10. Neither the execution and delivery on the part of any LLC Landlord of the LLC Landlord Documents, nor the consummation of the transactions to be consummated by such LLC Landlord therein or in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum will result in a violation of any provision of, or constitute a default under, (i) the Articles of Organization or Operating Agreement of any LLC Landlord; (ii) to the best of our knowledge, any agreement or other instrument to which any LLC Landlord is now a party or by which it or its properties are bound; and (iii) any existing constitutional provision, law or governmental rule or regulation applicable to any LLC Landlord.

11. Neither the execution and delivery on the part of CSUSA of the CSUSA Document, nor the consummation of the transactions to be consummated by CSUSA therein, or in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum will result in a violation of any provision of, or constitute a default under, (i) the Articles of Incorporation or Bylaws of CSUSA; (ii) to the best of our knowledge, any agreement or other instrument to which CSUSA is now a party or by which it or its properties are bound; and (iii) any existing constitutional provision, law or governmental rule or regulation applicable to CSUSA.

12. Neither the execution and delivery on the part of CSUSA of the Manager Documents on behalf of the Managers, nor the consummation of the transactions to be consummated by the Managers therein or in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum will result in a violation of any provision of, or constitute a default under, the (i) the Articles of Organization or Operating Agreement of any Manager; (ii) to the best of our knowledge, any agreement or other instrument to which any Manager is now a party or by which it or its properties are bound, and (iii) any existing constitutional provision, law or governmental rule or regulation applicable to any Manager.

13. No approval or other action by any governmental authority or agency is required as a condition to the due execution or performance by (i) any LLC Landlord of transactions contemplated by the LLC Landlord Documents or the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum, and (ii) CSUSA with respect to the transaction contemplated by the CSUSA Document, the Manager Documents, Preliminary Limited Offering Memorandum or the Limited Offering Memorandum.

14. No approval or other action by any governmental authority or agency is required as a condition to the due execution or performance by (i) any Manager of transactions contemplated by the Manager Documents, and (ii) CSUSA with respect to the transaction contemplated by the Bond Purchase Agreement or the Manager Documents.

15. None of the LLC Landlords is in violation of any provision of, or in default under, its Articles of Organization or Operating Agreement or, to the best of our knowledge, any agreement or other instrument to which such LLC Landlord is a party or by which it or its properties are bound, a violation of which or a default under which would materially adversely affect the affairs (financial or otherwise) of such LLC Landlord.

16. CSUSA is not in violation of any provision of, or in default under, its Articles of Incorporation or Bylaws or, to the best of our knowledge, any agreement or other instrument to which CSUSA is a party or by which it or its properties are bound, a violation of which or a default under which would materially adversely affect the affairs (financial or otherwise) of CSUSA.

17. The Managers are not in violation of any provision of, or in default under, their respective Articles of Organization or Operating Agreement or, to the best of our knowledge, any agreement or other instrument to which any Manager is a party or by which it or its properties are bound, a violation of which or a default under which would materially adversely affect the affairs (financial or otherwise) of the applicable Manager.

18. There is no action, suit, proceeding, inquiry or investigation at law or in equity or by any judicial or administrative court, agency, body or other entity pending with respect to which any LLC Landlord, Manager or CSUSA has received notice or to the best of our knowledge, threatened, against any LLC Landlord, Manager or CSUSA or any of their respective properties wherein an unfavorable decision, ruling or finding: (i) would adversely affect the validity or enforceability of any of the Transaction Documents to which they are a party; (ii) would result in any materially liabilities not wholly covered by insurance or reserves; or (iii) would otherwise materially adversely affect the capability of any LLC Landlord to comply with its obligations under any of the LLC Landlord Documents to which it is a party, would otherwise materially adversely affect the capability of any Manager to comply with its obligations under any of the Manager Documents to which it is a party, would otherwise materially adversely affect the capability of CSUSA to comply with its obligations under the CSUSA Document, or materially adversely affect the transactions contemplated to be consummated on the part of any LLC Landlord, Manager or CSUSA as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

19. No additional approval, consent, proceeding, authorization or resolution by any LLC Landlord or its member or manager is required in connection with the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

20. No additional approval, consent, proceeding, authorization or resolution by CSUSA or its board of directors or shareholders is required in connection with the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

21. No additional approval, consent, proceeding, authorization or resolution by any of the Manager or its member is required in connection with the transactions to be consummated on its part as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

22. Each Mortgage is effective to create a valid lien against the LLC Landlords' respective real property interests in favor of the Trustee in the real property and fixtures described in the applicable Mortgage (the "Real Property Collateral"). Each Mortgage is in a form sufficient for recording in the Public Records of the county in which the Real Property Collateral is located ("Local Filing Office"). Upon proper recording of each Mortgage in each Local Filing Office, such Mortgage will create constructive notice of the lien on the Real Property Collateral located in the applicable county. The UCC-[1][3] Financing Statement (County - Fixture) is in acceptable form for recording in the Public Records of [Lee County or Manatee County, Florida, as applicable].

23. Each Mortgage is effective to create in favor of the Trustee a security interest in the LLC Landlords' personal property described in such Mortgage (collectively, the "Personal Property Collateral") to the extent that a security interest may be created under Article 9 of the Uniform Commercial Code ("UCC"). The UCC-[1][3] Financing Statement is in an acceptable form for filing with the Florida Department of State Secured Transaction Registry (the "State Filing Office"). Upon the proper filing of the UCC-[1][3] Financing Statement with and the acceptance by the State Filing Office, the Trustee will have a perfected security interest in such portion of the Personal Property Collateral in which, and only to the extent that, a security interest may be perfected by filing a financing statement under Article 9 of the UCC.

Our opinions expressed above are qualified to the extent that (a) the enforceability of the Transaction Documents executed by the LLC Landlords, the Managers, or CSUSA, in connection with issuance of the Bonds may be limited by general principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter enacted, the obligation of the Issuer to act in a commercially responsible manner and in good faith in exercising any remedies under the applicable Transaction Document or equitable principles of general application and the exercise of judicial discretion from time to time affecting the rights of creditors, landlords and secured parties generally, and may be limited by the exercise of the policy power of the State of Florida and by the exercise of the powers delegated to the United States of America by the Federal Constitution; and (b) a particular court may refuse to grant certain equitable remedies, including, without limitation, specific

performance and the award of attorneys' fees, with respect to the enforcement of any provision of said documents.

This opinion may be relied on only by the addressees hereof for purposes related to issuance of the Bonds. We undertake no obligation to update this opinion based upon future events or changes in existing laws. We are licensed to practice in the State of Florida and in the federal courts of the United States and we do not express any opinion as to the laws of any other jurisdictions other than the general corporations laws of the State of Delaware. We hereby consent to inclusion of this opinion in a compilation of closing documents in connection with the issuance of the Bonds.

Sincerely,

TRIPP SCOTT, P.A.

Exhibit F

Form of Disclosure Opinion of Counsel to Red Apple, Managers and CSUSA

[Closing Date]

Lee County Industrial Development Authority
1625 Hendry Street, Suite 301
Fort Meyers, Florida 33901

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, Connecticut 06824

Re: Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, and Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B

Ladies and Gentlemen:

We have acted as counsel to the following Limited Liability Companies organized under the laws of the State of Florida:

1. Red Apple at Gateway EXP, LLC;
2. Red Apple at Manatee, LLC;

(collectively, the "LLC Landlords"), Charter Schools USA at Lehigh Acres, L.C., Charter Schools USA at Gateway, L.C., Charter Schools USA at Cape Coral, L.C., Charter Schools USA at Six Mile, L.C. and Charter Schools USA at Manatee, LLC, each a Florida limited liability company (collectively, the "Managers"), Red Apple Development, LLC, a Florida limited liability company, the sole member of the LLC Landlords ("RAD"), and Charter Schools USA, Inc., a Delaware corporation ("CSUSA") in connection with the issuance on this day of the Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX] (the "Series 2023A Bonds"), and the Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY] (together with the Series 2023A Bonds, the "Bonds"). The Bonds have been sold pursuant to the Bond Purchase Agreement, dated [Pricing Date], among the Lee County Industrial Development Authority (the "Issuer"), Herbert J. Sims & Co., Inc. (the "Underwriter"), the LLC Landlords, Southwest Charter Foundation, Inc. (the "Foundation"), Lee County Community Charter Schools, LLC (the "Borrower") and CSUSA.

Reference is made to the Preliminary Limited Offering Memorandum dated [PLOM Date] (the "Preliminary Offering Document") and to the Limited Offering Memorandum dated

[Pricing Date] (the "Offering Document"), each relating to the Bonds. As counsel to the LLC Landlords, RAD, the Managers and CSUSA, we reviewed the Offering Document and participated in discussions with your representatives and your counsel and representatives of the Borrower, the Foundation, the LLC Landlords, RAD, the Managers, and CSUSA.

Because the primary purpose of our professional engagement was not to establish or to confirm factual matters set forth in the Preliminary Offering Document or the Offering Document, we do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Offering Document or the Offering Document and we have not undertaken to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Preliminary Offering Document and the Offering Document involve matters of a non-legal nature.

Subject to the foregoing and on the basis of the information we gained in the course of our review of, and participation in the preparation of the Preliminary Offering Document and the Offering Document, we confirm to you that nothing came to our attention that caused us to believe that the Preliminary Offering Document or the Offering Document, as of the date thereof and as of the date hereof, contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided, however,* that we do not express any opinion or belief with respect to the financial statements, or other financial and statistical information contained in the Preliminary Offering Document or the Offering Document. Nothing in this letter should be regarded as an independent representation of any fact.

This letter may be relied on only by the addressees hereof for purposes related to the issuance and sale of the Bonds. We undertake no obligation to update this letter based upon future events or changes in existing laws. We are licensed to practice in the State of Florida and in the federal courts of the United States. This letter shall not be used, quoted or relied upon or otherwise referred to for any other purpose or by any other person, including any person purchasing the Bonds. We hereby consent to your inclusion of this opinion in a compilation of your closing documents in connection with the issuance of the Bonds.

Sincerely,

TRIPP SCOTT, P.A.

Exhibit G

Form of Nonconsolidation Opinion of Counsel to Red Apple

[Closing Date]

Regions Bank, as trustee
Corporate Trust, 7th Floor
400 West Capitol Avenue
Little Rock, Arkansas 72201

Lee County Industrial Development Authority
1625 Hendry Street, Suite 301
Fort Meyers, Florida 33901

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, Connecticut 06824

RE: CERTAIN SUBSTANTIVE CONSOLIDATION ISSUES RELATING TO RED APPLE DEVELOPMENT, LLC.

Ladies & Gentlemen:

We have acted as counsel to the following Limited Liability Companies organized under the laws of the State of Florida:

1. Red Apple at Gateway EXP, LLC;
2. Red Apple at Manatee, LLC;

(collectively, the "***LLC Landlords***"), and to Red Apple Development, LLC, a Florida limited liability company, the sole member of the LLC Landlords ("***RAD***").

The LLC Landlords have executed and delivered that certain Bond Purchase Agreement, dated [Pricing Date] (the "Bond Purchase Agreement") among the Issuer, Herbert J. Sims & Co., Inc. (the "Underwriter"), Southwest Charter Foundation, Inc. (the "Foundation"), Lee County Community Charter Schools, LLC (the "Borrower"), the LLC Landlords, and Charter Schools USA, Inc., in connection with the sale and issuance of the Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[XXX], and the Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[YYY] (collectively, the "Bonds"). The proceeds of the Bonds have been loaned to the Borrower pursuant to the to the Mortgage and Loan Agreement dated as of April 1, 2007 as supplemented by and through the [Second Supplemental Mortgage and Loan Agreement] dated as of November 1, 2023, each by and between the Borrower and the Issuer (collectively, the "Loan Agreement"), each between the Issuer and the Borrower. Capitalized terms used but not defined herein have the meanings set forth in the Indenture of Trust, dated as of April 1, 2007 as

supplemented by and through the Second Supplemental Indenture of Trust dated as of November 1, 2023 (collectively, the "Indenture") each between the Issuer and Regions Bank, as trustee.

In our capacity as special counsel to LLC Landlords, we have been requested by you to provide our opinion as to whether, in a case under Title 11 of the United States Code (11 U.S.C. §§ 101-1330, the *"**Bankruptcy Code**"*) in which RAD was the debtor, a bankruptcy court would have valid legal grounds to disregard the separateness of LLC Landlords and RAD so as to cause a substantive consolidation of the assets and liabilities of LLC Landlords with those of the bankruptcy estate of RAD.

ASSUMPTIONS OF FACT

In rendering this opinion, we have examined originals, or copies certified to our satisfaction, of LLC Landlords' Articles of Organization, Operating Agreement and other documents listed on **Schedule I** hereto (collectively, the "***Formative Documents***") and the documents listed on **Schedule II** hereto (collectively, the "***Transaction Documents***"), that we assume to have been duly and properly executed and to be enforceable by and against the parties thereto in accordance with the terms thereof. Our opinion assumes on-going and continuous strict compliance at all times by each of RAD and each of the LLC Landlords with each of the provisions of its respective Formative Documents and with each of the provisions of the Transaction Documents to which it is a party, in each instance insofar as such provisions are relevant to the opinion rendered herein. For the purpose of this opinion, we have examined no other documents, agreements or instruments by or between any of the LLC Landlords and RAD and assume that no such documents, instruments or agreements, whether written or oral, exist.

We have made no independent investigation of the facts assumed and referred to herein, and have relied for the purpose of rendering this opinion exclusively on those facts that have been certified by officers of each of the LLC Landlords and RAD (the certificates are attached as **Exhibits A** and **B**, respectively), that we assume are and will continue to be true and complete in all material respects, except that we have not made any assumptions with respect to the provisions or contents of the Transaction Documents or the Formative Documents since we have independently reviewed the Transaction Documents and Formative Documents. We understand such facts to be as follows:

Existence. Each of the LLC Landlords maintains and will maintain its existence separate from RAD, and all other affiliates; and is and at all times will be in good standing under the laws of the State of Florida and each other State in which its conduct so requires. RAD maintains its existence separate from each of the LLC Landlords and each of RAD's other affiliates, and at all times will be in good standing under the laws of the State of Florida and each other State in which its conduct so requires. In addition, the Formative Documents provide that the LLC Landlords may not, and each of the LLC Landlords has certified that, so long as any Bonds are outstanding, it will not:

(1) guarantee any obligation of any Person, including any affiliate;

(2) incur, create or assume any indebtedness other than the Bonds or Additional Bonds (as defined in the Indenture), except for trade payables incurred in the

ordinary course of performing the Permitted Activities (as defined in its Operating Agreement), provided that such trade payable debt is not evidenced by a note, is required to be paid within sixty (60) days of the date first incurred, is paid when due and does not exceed at any time, in the aggregate, $25,000;

(3) make any loan or advance to any member, general partner, shareholder, principal or affiliate of any other LLC Landlord, or any member, general partner, shareholder, principal or affiliate of any of the foregoing, make any loans or advances to any third party, or own or acquire any stock or securities of, any Person without the Trustee's prior consent;

(4) to the fullest extent permitted by law, engage in any dissolution, liquidation, consolidation, merger, asset sale or transfer of ownership interests;

(5) without obtaining the unanimous written consent of its member, make a general assignment for the benefit of creditors, file or consent to the filing of any petition, either voluntary or involuntary, to take advantage of any applicable insolvency, bankruptcy, liquidation or reorganization statute or make an assignment for the benefit of creditors;

(6) take any material action that would adversely affect its governance as a limited liability company; or

(7) own any subsidiary without the Trustee's prior consent.

Ownership and Governance. RAD is the sole member of each of the LLC Landlords.

Limited Activities. LLC Landlords' activities are limited to the following: obtaining financing pursuant to the terms of the Indenture and the Loan Agreement, owning real estate and improvements leased to the Borrower and engaging in all activities necessary, customary, convenient or contemplated by the Indenture, the Loan Agreement, the Project and the Red Apple Leases.

Procedures Observed. Each of the LLC Landlords observes and at all times will observe all procedures with respect to LLC Landlord's governance as a limited liability company as is required by its Formative Documents and the laws of the State of Florida. Without limiting the generality of the foregoing, each of the LLC Landlords shall: (i) continuously maintain books of account, financial records and bank accounts separate from any other entity or person; and (ii) not commingle any of its assets with those of any other entity or person. RAD observes and will observe all procedures with respect to RAD's governance as a limited liability company as is required by its Formative Documents and the laws of the State of Florida. Without limiting the generality of the foregoing, RAD shall: (i) continuously maintain books of account, financial records and bank accounts separate from any other entity or person; and (ii) not commingle any of its assets with those of any other entity or person.

Management. Each of the LLC Landlord's Member will manage such LLC Landlord and will act in the best interests of such LLC Landlord, free of undue influence from RAD or any

other affiliate. Each of the LLC Landlords will at all times ensure that its Member duly authorizes all such LLC Landlord's actions, to the extent required by its Formative Documents or the laws of the State of Florida.

Business Operations. RAD conducts and intends to conduct business separate and apart from its indirect ownership of the equity interest in LLC Landlords and from the business that will be conducted under the Transaction Documents. Each of the LLC Landlords shall conduct business consistent with the section captioned Limited Activities, above.

Records. Each of the LLC Landlords and RAD each keeps separate, correct and complete books of account and records, minutes of the meetings and other proceedings of its members or shareholders, and financial statements showing its assets and liabilities separate and apart from the assets and liabilities of any other person or entity. The resolutions, agreements and other instruments underlying or evidencing each transaction to which it is a party will be continuously maintained as official records by each of the LLC Landlords and RAD.

Identifiable Assets. Each of the LLC Landlord's assets are and will be identifiable apart from, and, except as set forth herein, will not be commingled with, those of RAD or any other person or entity. RAD has and will have funds and other assets that are: (i) separate and apart from any assets that may be transferred to or from, or that are owned by LLC Landlords; and (ii) readily ascertainable at all times from its own financial statements, books of account and records. All asset transfers between any of the LLC Landlords and RAD will be fully and adequately documented, which documents will be maintained continuously as official documents of and by the parties to the transfer.

Capitalization. Each of the LLC Landlords and RAD is, as of the date hereof, and expects to be adequately capitalized for the business in which it is, and in which it intends to be, engaged. As of the date hereof, each of the LLC Landlords and RAD has sufficient assets to pay its obligations, including any contingent or unliquidated obligations existing as of the date hereof, as and when such obligations may become due and payable.

Expenses. It is anticipated that each of the LLC Landlords will have unsecured creditors that are not creditors of RAD and whose debts arise from the conduct of the authorized operations of such LLC Landlord. Each of the LLC Landlords will pay from its funds and assets all obligations and indebtedness incurred by it, and provides and will continue to provide for its own operating expenses, including the compensation of its Member and the salaries of its own employees (if any), and other liabilities from its own funds. RAD will not inform any of its creditors that any or all of the LLC Landlords will pay, otherwise be liable for, or that the assets of any or all of the LLC Landlords will be available to satisfy, any expense or obligation of RAD. Each of the LLC Landlords will not pay from its funds and assets any obligation or indebtedness incurred by RAD or any of its affiliates or equity interest owner(s). Except for certain expenses paid by RAD for the formation of LLC Landlords, general overhead and administrative expenses of LLC Landlords will not be charged or otherwise allocated to any person or entity, and such expenses and liabilities of any person or entity will not be charged or otherwise allocated to LLC Landlords.

Conduct. Each of the LLC Landlords conducts and will continue to conduct its business solely in its own name, which business will be managed by and through its Member; and RAD does not conduct, nor will it conduct, its business in LLC Landlords' name, so as not to mislead others as to the separate identity of LLC Landlords. Without limiting the generality of the foregoing, all oral and written communications, including without limitation letters, purchase orders, contracts, statements, and applications, are made and will continue to be made in the name of LLC Landlords if related to LLC Landlords, and will not be made in the name of LLC Landlords if related to RAD. Each of the LLC Landlords has and uses, and will continue to have and use, separate stationery and other business forms; and RAD has and uses and will continue to have and use, stationery and other business forms separate from LLC Landlords.

Reliance by Others. RAD conducts and will conduct its business solely in its own name, which business will be managed by and through its Member. Each of the LLC Landlords acts solely in its name and through its designated officers, employees and agents in the conduct of its business, and will employ a sufficient number of employees or contractors with which to conduct its business if necessary. Each of the LLC Landlords does not and will not hold its credit or assets out as being available to satisfy the obligations of any other person or entity other than the execution and delivery of the Indenture securing the Bonds and the Loan Agreement securing the Bonds. RAD, in the conduct of its activities, acts through its duly authorized officers or agents, and does not and will not hold out the assets or creditworthiness of any or all of the LLC Landlords as being available to satisfy the debts of RAD or any of its affiliates or equity interest owner(s). Each of the LLC Landlords and RAD does not and will not: (a) hold itself out as having agreed to pay or become liable for the debts of RAD or any other person or entity, in the case of LLC Landlords, or of LLC Landlords, in the case of RAD; (b) fail to correct any known misrepresentation or misunderstanding with respect to the foregoing or with respect to the separate existence of LLC Landlords; (c) operate or purport to operate as an integrated, single economic unit with respect to the other; (d) seek or obtain credit from, or incur any obligation to, any third party based upon the creditworthiness or assets of the other; (e) induce any such third party to reasonably rely on the creditworthiness of the other or of any other affiliated or unaffiliated entity or person; or (f) identify LLC Landlords as a division or department of RAD or of any other person or entity.

Financial Independence. Each of the LLC Landlords does not and will not: (i) pledge its assets for the benefit of RAD; (ii) make loans to any person or entity other than as described in or authorized by the Transaction Documents; (iii) guaranty the payment or performance of RAD or any of their affiliates or equity owner(s); or (iv) buy and hold evidence of indebtedness issued by RAD or any of its affiliates or equity owner(s). In no event shall any of the LLC Landlords acquire obligations or securities of RAD or any of its affiliates or equity interest owner(s) except pursuant to the Transaction Documents. Neither RAD nor any of its affiliates or equity owner(s) does and will pledge its assets for the benefit of LLC Landlords.

Arm's Length. Each of the LLC Landlords, on the one hand, and RAD, on the other hand, maintain and will continue to maintain an arm's-length relationship between each other; and each of the LLC Landlords maintains and will maintain an arm's length relationship between itself and any entities that are affiliates of RAD or in which RAD has an equity, partnership or other ownership interest such that it will enter into transactions with such entities only on a commercially reasonable basis. Each of the LLC Landlords' member will act in the interests of

such LLC Landlord with respect to its daily business affairs. Any asset transfers between any LLC Landlord and RAD will be made pursuant to the sound exercise of the business judgment of such LLC Landlord and RAD, will be on arm's-length terms, will be made in strict compliance with the Transaction Documents, will be made in strict compliance with the formal observance of all corporate formalities and will not render the transferor insolvent or be done with the intent to hinder, delay or defraud any creditor of the transferor.

Financial Disclosure. The accounting records and financial statements of each of the LLC Landlords and RAD will clearly and continuously reflect its separate assets and liabilities, and none of such accounting records or financial statements will provide that the assets of any LLC Landlord are available to pay the claims of creditors of any other entity or person. While the income, assets and liabilities of each of the LLC Landlords may be reflected in consolidated tax returns, balance sheet and other financial records of RAD, RAD does or will routinely divulge such documents to actual or potential creditors and, if it does so, will disclose that the assets and creditworthiness of LLC Landlords are not and will not be available to satisfy the claims of any creditor of RAD.

Fairness. RAD has determined that the formation, existence and limited purposes of LLC Landlords represent a reasonable course of action. Each of the LLC Landlords was not created to perpetrate a fraud on, or to mislead or conceal assets from, the creditors of RAD or any other entity or person.

DISCUSSION

Bankruptcy courts may consolidate the assets and liabilities of two or more entities or persons, provided that at least one of the entities is the subject of a bankruptcy proceeding. *See, e.g., Federal Deposit Ins. Co. v. Colonial Realty Co.*, 966 F.2d 57, 58 (2d Cir. 1992) (approving the substantive consolidation of a debtor partnership and two of its general partners who were individual persons). While the Bankruptcy Code provides no statutory authority for substantive consolidation, such authority is derived from the general equitable powers granted to bankruptcy courts under Section 105(a) of the Bankruptcy Code. *Union Sav. Bank v. Augie/Restivo Baking Co.,* 860 F.2d 515 (2d Cir. 1988); *Reider v. Federal Deposit Ins. Corp.,* 31 F.3d 1102 (11th Cir. 1994); *but see In re Cyberco Holdings, Inc.*, 431 B.R. 404 (Bankr. W.D. Mich. 2010) (finding substantive consolidation firmly rooted in the Bankruptcy Code and not emanating from equitable powers). The United States Supreme Court has not ruled on the issue of substantive consolidation under the provisions of the Bankruptcy Code but did approve the practice of substantive consolidation in a pre-Code case. *Sampsell v. Imperial Paper & Color Corp.*, 313 U.S. 215, *reh'g denied,* 313 U.S. 600 (1941) (affirming the decision of a bankruptcy referee to consolidate the estate of an individual debtor with the assets of a corporation that was wholly owned by the debtor and his family). The lack of statutory standards for substantive consolidation has led to the development of several standards for determining whether substantive consolidation should be applied, which are driven by facts peculiar to each case. *See, e.g., Eastgroup Properties v. S. Motel Ass'n, Ltd.,* 935 F.2d 245, 248 (11th Cir. 1991)*; Bracaglia v. Manzo (In re United Stairs Corp.),* 176 B.R. 359, 369 (Bankr. D.N.J. 1995). Accordingly, this analysis is subject to the general qualification that there can be no guarantee as to whether substantive consolidation will not be granted by a court exercising its discretionary equitable authority in any given instance.

Substantive consolidation has two primary consequences. First, the assets and liabilities of the entities that are to be consolidated are pooled, eliminating any inter-entity liabilities of the consolidated entities. *Eastgroup Properties,* 935 F.2d at 248. Second, the claims of unsecured creditors of the consolidated entities are combined for purposes of receiving distributions from the common pool of assets of the consolidated bankruptcy estate and, in the case of Chapter 11 proceedings, for purposes of voting on reorganization or liquidation plans. *See, e.g., Eastgroup Properties,* 935 F.2d at 248. Secured creditors, if any, of each of the consolidated entities are generally unaffected by substantive consolidation because bankruptcy courts do not allow secured creditors to improve their positions by having their liens attach to assets of the other entities, nor can secured creditors be forced to share the value of their collateral unless there is a separate basis to avoid or subordinate the secured creditors' liens or security interests. *In re Cooper,* 147 B.R. 678 (Bankr. D.N.J. 1992). "The court can consolidate estates as to unsecured claims without consolidating as to secured claims; a secured creditor with a consensual lien is only entitled to such collateral as it bargained for." *Id*; *James Talcott, Inc. v. Wharton (In re Continental Vending Mach. Corp.)*, 517 F.2d 997 (2d Cir. 1975), *cert. denied,* 424 U.S. 913 (1976); *see also In re Gulfco Inv. Corp.,* 593 F.2d 933 (10th Cir. 1979) (substantive consolidation denied because secured creditor with lien on stock of corporation to be substantially consolidated into another corporation would be rendered unsecured by virtue of the proposed consolidation).

"The sole purpose of substantive consolidation is to ensure the equitable treatment of all creditors." *In re Augie/Restivo*, 860 F.2d at 518; *see also Eastgroup Properties,* 935 F.2d at 248. Bankruptcy courts should not order substantive consolidation if the creditors of the different entities will not, as a group, benefit from the consolidation. Rather, a bankruptcy court should order the substantive consolidation of two or more entities only where "the economic prejudice of continued debtor separateness outweighs the economic prejudice [to creditors] of consolidation." *Eastgroup Properties,* 935 F.2d at 249 (citation and internal quotes omitted); *In re S & G Fin. Servs. of S. Fla., Inc*., 451 B.R. 573, 584 (Bankr. S.D. Fla. 2011); *In re AAA Bronze Statutes & Antiques, Inc.*, 598 B.R. 27, 32 (Bankr. N.D. Fla. 2019) (find that substantive consolidation of a debtor and non-debtor depends on whether "the outcome of the proceeding could conceivably have an effect on the estate being administered in bankruptcy.").

The equitable treatment of creditors does not, however, require that a bankruptcy court determine that no creditor or group of creditors will suffer economically as a result of the substantive consolidation. Substantive consolidation "almost invariably redistributes wealth among the creditors of the various entities." *In re Auto-Train Corp*., 810 F.2d 270, 276 (DC Cir. 1987). As a result, a bankruptcy court "must analyze whether [substantive] consolidation yields benefits offsetting the harm it inflicts on objecting parties," including creditors that will suffer economically as a result of the consolidation, and should invoke the remedy of substantive consolidation sparingly. *Id.* at 246; *see also Colonial Realty*, 966 F.2d at 61; *Morse Operations, Inc. v. Robins Le-Cocq, Inc. (In re Lease-A-Fleet, Inc.)*, 141 B.R. 869, 872-73 (Bankr. E.D. Pa. 1992); *but see Eastgroup Properties*, 935 F.2d at 248-49 (noting a "modern" or "liberal" trend toward allowing substantive consolidation).

I. Historical Basis for Substantive Consolidation.

The doctrine of substantive consolidation arose from the non-bankruptcy remedy of "piercing the corporate veil," which remedy makes the assets of one entity available to creditors of another entity if the former entity were an "alter ego" or "mere instrumentality" of the latter entity. *In re Standard Brands Paint Co*., 154 B.R. 563, 567-68 (Bankr. C.D. Cal. 1993); *Pension Benefit Guar. Corp. v. Ouimet Corp.*, 711 F.2d. 1085, 1092 (1st Cir. 1983), *cert. denied*, 464 US. 961 (1983); *In re Cooper*, 147 B.R. at 682-83. As a result, most of the tests used to determine whether substantive consolidation is proper are similar to, or incorporate, standards used in determining whether to pierce the corporate veil, such that substantive consolidation is proper where one entity is a mere instrumentality or alter ego of another. *See, e.g., Simon v. New Center Hosp. (In re New Center Hosp.)*, 187 B.R. 560, 568 (E.D. Mich. 1995) (stating that first part of three-part analysis to determine if a basis for substantive consolidation exists "mirrors that used by courts to determine whether corporations are alter egos of one another"); *In re Cooper*, 147 B.R. at 684 ("factors which the bankruptcy courts consider regarding substantive consolidation include the factors which courts consider regarding piercing the corporate veil"). However, bankruptcy courts may substantively consolidate two or more entities in the absence of fraud, whereas, in non-bankruptcy contexts, courts will generally pierce the corporate veil only when "the corporate entity has been used to avoid legal obligations." *Wells v. Firestone Tire & Rubber Co.*, 421 Mich. 641, 651 (1984); *see also In re Cooper*, 147 B.R. at 683.

Despite the fact that the Supreme Court has not ruled on the issue of substantive consolidation under the Bankruptcy Code, two tests have emerged in the lower courts as analytical tools for determining whether substantive consolidation is an appropriate remedy.

II. The ***Augie/Restivo*** Test.

The first leading test is set forth in the *Augie/Restivo Baking Company* opinion of the United States Court of Appeals for the Second Circuit. Under this test a bankruptcy court may substantively consolidate two or more entities if either of the following "critical factors" is satisfied:

> (ii) whether creditors dealt with the entities as a single economic unit and did not rely on their separate identity in extending credit; *or*
>
> (iii) whether the affairs of the debtors are so entangled that consolidation will benefit all creditors.

In re Augie/Restivo, 860 F.2d at 518 (citations omitted).

The first critical factor identified by the Second Circuit may be satisfied if creditors have dealt with a debtor and its affiliates as if they were a single entity. *See, e.g., Soviero v. Franklin Nat'l Bank*, 328 F.2d 446, 448 (2d Cir. 1964). That is, if creditors extend credit to one or more of the entities that may be subject to the substantive consolidation order, substantive consolidation may be proper where creditors did not expect that they would "be able to look [only] to the assets of their particular borrower for satisfaction of that loan." *In re Augie/Restivo*, 860 F.2d at 518.

The second critical factor set forth in the *Augie/Restivo* test "involves cases in which there has been a commingling of two [or more] firms' assets and business functions." *Id.* at 519. This critical factor bears close resemblance to the non-bankruptcy alter ego test, but differs in that substantive consolidation does not require a showing that the commingling was the result of a sham or a fraud on creditors. Rather, this factor may be satisfied merely by a showing that the financial affairs of the different entities are so intertwined, whether by inter-corporate loans and transfers or otherwise, that the "interrelationships of the group [of entities are] hopelessly obscured." *Chemical Bank New York Trust Co. v. Kheel (In re Seatrade Corp.)*, 369 F.2d 845, 847 (2d Cir. 1966). The Second Circuit has warned, however, that consolidation in such circumstances must not be automatic:

"[S]ubstantive consolidation should be used only after it has been determined that all creditors will benefit because untangling is either impossible or so costly as to consume the assets [of the bankruptcy estates of the separate entities]."

In re Augie/Restivo, 860 F.2d at 519. In other words, substantive consolidation based on this critical factor is appropriate only where "the time and expense necessary even to attempt to unscramble them [is] so substantial as to threaten the realization of any net assets for all the creditors . . . or where no accurate identification and allocation of assets is possible." *Id.* at 519 (citation and internal quotes omitted).

The *Augie/Restivo* test has been cited with approval by the United States Court of Appeals for the First Circuit, *Woburn Assocs. v. Kahn (In re Hemingway Transp., Inc.)*, 954 F.2d 1, 11 n. 15 (1st Cir. 1992)); the United States Court of Appeals for the Third Circuit, *In re Owens Corning*, 419 F.3d 195, 210 (3d Cir. 2005), *cert. denied*, 547 U.S. 1123 (2006); and has been adopted by the United States Court of Appeals for the Ninth Circuit, *Alexander v. Compton (In re Bonham)*, 229 F.3d 750, 766 (9th Cir. 2000).

III. The ***Auto-Train*** Test.

In contrast to the *Augie/Restivo* test, the United States Court of Appeals for the District of Columbia Circuit established a test that (i) expands on the general principles that underlie traditional alter ego analysis and (ii) establishes substantive *and* evidentiary requirements that must be satisfied prior to the substantive consolidation of two or more entities. *See, generally, In re Auto-Train*, 810 F.2d 270 (D.C. Cir. 1987). The *Auto-Train* test has been adopted by the United States Court of Appeals for the Eleventh Circuit. *Eastgroup Properties*, 935 F.2d at 249. Since then, the bankruptcy court in the Southern District of Florida has adopted the same test. *See, In re MMH Automotive Group, LLC*, 400 B.R. 885, 888 (Bankr. S.D. Fla. 2008); *In re American Way Service Corp.*, 229 B.R. 496, 526 (Bankr. S.D. Fla. 1999); *In re Optical Technologies, Inc.*, 221 B.R. 909, 912 (Bankr. S.D. Fla. 1998); *In re F.W.D.C., Inc.*, 158 B.R. 523, 525 (Bankr. S.D. Fla. 1993); *In re S & G Fin. Servs.*, 451 B.R. at 583.

The *Auto-Train* test requires that the proponent of substantive consolidation establish each of three separate elements:

(1) There must be a substantial identity between the entities to be consolidated;

(2) Consolidation must be necessary to avoid some harm or to realize some benefit; *and*

(3) If a creditor objects to consolidation and demonstrates that it relied on the separate credit of only one of the entities and that such creditor will be prejudiced by the consolidation, then consolidation is proper only if the court determines that "the demonstrated benefits of consolidation 'heavily' outweigh the harm."

In re Auto-Train, 810 F.2d at 276.

The first *Auto-Train* element, the "substantial identity" element, is closely related to the ''alter ego'' or ''mere instrumentality'' tests that underpin non-bankruptcy case law for piercing the corporate veil. *In re Standard Brands*, 154 B.R. at 569. Accordingly, the proponent of substantive consolidation may establish this element by proving the existence of one or more of the following factors:

(1) The presence or absence of consolidated financial statements;
(2) The unity of interest and ownership between various corporate entities;
(3) The existence of parent and intercorporate guarantees on loans;
(4) The degree of difficulty in segregating and ascertaining individual assets and liabilities;
(5) The existence of transfers of assets without formal observance of corporate formalities;
(6) The commingling of assets and business functions; and
(7) The profitability of consolidation at a single physical location.

Eastgroup Properties, 935 F.2d at 249 (quoting, with approval, *In re Vecco Constr. Indus*., 4 B.R. 407, 410 (Bankr. E.D. Va. 1980))*;*[1] *In re S & G Fin. Servs.*, 451 B.R. at 583+. Additionally, the party supporting substantive consolidation may rely on factors such as: (1) the parent corporation's owning the majority of a subsidiary's stock; (2) the entities having common officers or directors; (3) the gross undercapitalization of the subsidiary; (4) the subsidiary conducting business solely with the parent; and (5) both entities disregarding the legal requirements for keeping the subsidiary a separate organization. *Eastgroup Properties*, 935 F.2d at 250 (quoting, with approval, *Pension Benefit*, 711 F.2d at 1093). However, "[n]o single factor is likely to be determinative in the court's inquiry" regarding whether substantive consolidation is appropriate in a given case. *Eastgroup Properties*, 935 F.2d at 250; *In re S & G Fin. Servs.*, 451 B.R. at 584+.

If the proponent of substantive consolidation satisfies the requirements of the first two elements of the *Auto-Train* test, then "a presumption arises that 'creditors have not relied solely on the credit of one of the entities'" to be consolidated. *Eastgroup Properties,* 935 F.2d at 249 (citation omitted). The evidentiary and persuasive burdens then shift to an objecting creditor to show that it will be harmed by the proposed consolidation. *Id; In re Auto-Train*, 810 F.2d at 276. If an objecting creditor meets this burden, then the court must balance the harms and benefits of substantive consolidation. *In re Standard Brands*, 154 B.R. at 569. At this point, substantive

[1] Some courts continue to refer to the "elements" listed in *In re Vecco* as a test that is distinct from the *Augie/Restivo* and the Auto-Train tests. *See*, *e.g., In re Permian Producer, Drilling, Inc.*, 263 B.R. 510, 518 (W.D. Tex. 2000).

consolidation of two or more entities is proper only if the benefits to the creditors, as a group, "heavily" outweigh the harm to the objecting creditor. *In re Auto-Train*, 810 F.2d at 276.

IV. Other Tests.

Unlike the Second and Eleventh Circuits and the District of Columbia Courts of Appeal, the United States Court of Appeals for the Eighth Circuit has not articulated a separate test for substantive consolidation. Rather than enunciating a comprehensive list of factors to be considered, or procedural guidelines for safeguarding the interests of non-consenting creditors, the Eighth Circuit has merely provided a non-exclusive list of factors that courts may consider when determining whether to substantively consolidate two or more entities:

> "[f]actors to consider when deciding whether substantive consolidation is appropriate include: 1) the necessity of consolidation due to the interrelationship among the debtors; 2) whether the benefits of consolidation outweigh the harm to creditors; and 3) prejudice resulting from not consolidating the debtors."

First Nat'l Bank of El Dorado v. Giller (In re Giller), 962 F.2d 796, 799 (8th Cir. 1992). While this standard bears similarities to the *Augie/Restivo* and the *Auto-Train* tests, the *Giller* decision may allow courts in the Eighth Circuit greater latitude in approving substantive consolidation than they would have under the *Augie/Restivo* or *Auto-Train* tests. Specifically, the *Giller* court (i) did not attribute any significance to the existence of separate creditors of at least one of the entities to be consolidated and (ii) apparently gave greater weight to the benefit of substantive consolidation to the creditors of the insolvent entities than it did to the harm that may be suffered by the creditors of the solvent entity. *In re Giller*, 962 F.2d at 799.

While the Ninth Circuit purported to adopt the *Augie/Restivo* test, it engaged in an analysis that varied from the test expressly set forth in *Augie/Restivo* and other opinions of the Second Circuit. For instance, the Ninth Circuit ruled that creditors had the burden of overcoming "the presumption that they did not rely on the separate credit" of one of the entities to be consolidated, an element found in the *Auto-Train* test. *In re Bonham*, 229 F. 3d at 767. The Ninth Circuit also applied a variation of the balancing test set forth in the *Auto-Train* test, but shifted the focus from the harm to be suffered by creditors "to the harm to the entity which is being substantively consolidated." *Id.* at 767. While the parties claiming to be harmed were "investors" who had received fraudulent transfers as a result of purchased investment contracts that were part of a Ponzi scheme rather than creditors per se, it is unclear whether the Ninth Circuit intends for lower courts to apply this formulation of the balancing test in cases not involving Ponzi schemes or other fraudulent activity.

In fact, the Ninth Circuit distinguished the *Bonham* case from *Anaconda Building Materials Company v. Newland*, 336 F.2d 625 (9th Cir. 1964) ("*Anaconda*"), which involved a proposed substantive consolidation of a corporate parent with subsidiaries that were used in a legitimate financing arrangement. In *Anaconda*, the Ninth Circuit affirmed a district court's refusal to order the substantive consolidation of a parent and subsidiaries that were created for a legitimate business reason, i.e., the sale of bonds to third-party creditors in order to raise money for the parent corporation. In distinguishing *Anaconda* from *Bonham,* the Ninth Circuit focused on facts that showed that the *Anaconda* entities were not engaged in a single business and were

not created to engage in a fraudulent scheme, even though the parent "subsequently misrepresented the value of some [assets] and issued some fictitious mortgages." *In re Bonham*, 229 F.3d at 768 (citation omitted). The Ninth Circuit identified the following critical facts as distinguishing *Anaconda* from *Bonham*: (i) the *Anaconda* parent corporation and "subsidiaries were not operated as a single entity;" (ii) the *Anaconda* subsidiaries "were not operated as part of a scheme to perpetrate" a fraud; and (iii) the objecting creditors of the *Anaconda* parent corporation had relied solely on the separate credit of the parent corporation. *Id.* In contrast, the Ninth Circuit affirmed the *Bonham* bankruptcy court's finding that the individual debtor and the corporations to be substantively consolidated did act as a single entity that engaged in a fraudulent Ponzi scheme. The Ninth Circuit also affirmed the *Bonham* bankruptcy court's finding that, in light of the fraudulent scheme, no objecting party had proven that it had relied on the separate existence of the corporations that were substantively consolidated with the individual debtor. *Id.* at 767. Accordingly, it appears that the balancing test stated in *Bonham* may not be applicable in the absence of a fraudulent scheme involving the debtor and the entity or entities to be substantively consolidated.

The Third Circuit approved the *Augie/Restivo* test, but it too engaged in an analysis that varied from the test expressly set forth in *Augie/Restivo* and other opinions of the Second Circuit. The Third Circuit stated that in its court "what must be proven (absent consent) concerning the entities for whom substantive consolidation is sought is that (i) prepetition they disregarded separateness so significantly their creditors relied on the breakdown of entity borders and treated them as one legal entity, or (ii) postpetition their assets and liabilities are so scrambled that separating them is prohibitive and hurts all creditors." *In re Owens Corning*, 419 F.3d at 211.

While no other Court of Appeals has ruled on the issue of substantive consolidation, lower courts in many of those circuits have. Some lower courts have expressly applied the tests set forth above. *See, e.g., In re New Center Hosp.)*, 179 B. R. at 854, *aff'd in relevant part, rev'd in part*, 187 B.R. 560 (E.D. Mich. 1995) ("[a]lthough the Sixth Circuit has not pronounced a standard for the allowance of substantive consolidation of two or more entities into a single estate, we may look to other circuits for guidance"). Other courts, however, have propounded tests that incorporate elements of, but do not adopt, the *Auto-Train* or *Augie/Restivo* tests. *See, e.g., In re United Stairs Corp*., 176 B.R. 359, 369 (Bankr. D.N.J. 1995) (adopting a "balancing of the equities" test); *Bruce Energy Center Ltd. v. Orfa Corp. of America (In re Orfa Corp. of Philadelphia)*, 129 B.R. 404, 415-16 (Bankr. E.D. Pa. 1991); *Helena Chem. Co. v. Circle Land & Cattle Corp. (In re Circle Land & Cattle Co.),* 213 B.R. 870, 876 (Bankr. D. Kan. 1997) (requiring that an applicant for substantive consolidation demonstrate the benefit of consolidation to the general unsecured creditors of the entities to be consolidated).

Further, the Second Circuit has approved the *Auto-Train* test requirement that courts undertake a balancing of the equities prior to consolidating two or more entities. In the *Colonial Realty* opinion, the Second Circuit endorsed the D.C. Circuit's requirement that courts undertake a "searching inquiry" to determine whether the "consolidation yields benefits offsetting the harm it inflicts on objecting parties" before ordering substantive consolidation. *Colonial Realty*, 966 F.2d at 61 (quoting, with approval, *In re Auto Train Corp*., 810 F.2d at 276). However, the Second Circuit reaffirmed the basic vitality of the *Augie/Restivo* test, cautioning courts that the balancing of the equities required under the *Auto-Train* test must still be accompanied by "a concomitant analysis under the 'critical factors' identified in *Augie/Restivo." Colonial Realty,*

966 F.2d at 61. Consequently, courts that use the *Augie/Restivo* test should also balance the equities to determine whether the benefits of consolidation outweigh the harms that consolidation may inflict on objecting creditors.

V. Common Factors.

Regardless of which test is applied, many courts examine factors such as those set forth in the *Eastgroup Properties* decision to determine whether substantive consolidation is proper. Many of these factors are present in any bankruptcy case involving corporations having affiliates or subsidiaries. For example, common ownership, inter-entity transfers, common agents, officers and directors, and consolidated financial statements are common in many instances of affiliated entities. Accordingly, the mere presence of any one or more of these factors, without more, should not be determinative of whether substantive consolidation is proper. *Eastgroup Properties,* 935 F.2d at 250. On the other hand, the absence of one or more of the factors, or the existence of conflicting factors, does not prove that consolidation is improper, but may lead a court to next balance the equities. *See, e.g., In re Standard Brands*, 154 B.R. at 569; *In re Orfa Corp.*, 129 B.R. at 415 (approving consolidation over a creditor's objection even though it was not proven that all of the entities' financial affairs were entangled).

A primary element in any involuntary substantive consolidation test is whether the financial affairs of the different entities to be consolidated are grossly entangled. *See, e.g., In re Giller*, 962 F.2d at 799 (factors to be considered include "the necessity of consolidation due to the interrelationship between the debtors"); *In re Augie/Restivo*, 860 F.2d at 518-19; *In re Auto-Train*, 810 F.2d at 276 (when bankruptcy courts substantively consolidate different entities, "it is typically to avoid the expense or difficulty of sorting out the debtor's records to determine the separate assets and liabilities of each affiliated entity"); *In re Owens Corning*, 419 F.3d at 213 (commingling justifies consolidation only when separately accounting for the assets and liabilities of the distinct entities will benefit *every* creditor – that is, when every creditor will benefit from the consolidation). Poor or nonexistent record keeping of separate assets (particularly cash and other liquid assets) and of liabilities and inter-affiliate transactions is one of the more common reasons for ordering substantive consolidation. When the combination of affiliates' assets, liabilities and business affairs are so "hopelessly entangled" such that segregation is either prohibitively expensive or impossible, courts exhibit little reluctance in granting substantive consolidation. However, the degree of entanglement is the central question to be examined because the potentially prejudicial effect of substantive consolidation cannot be justified based on mere contentions of administrative convenience. Accordingly, strict adherence to observing corporate separateness, especially maintaining separate books and records and avoiding the commingling of assets, should render it more difficult for a court to substantively consolidate affiliated entities.

While the existence of common ownership, or of a single owner, may be considered by courts as a factor favoring substantive consolidation, *see, e.g., Eastgroup Properties***,** 935 F.2d at 249, it is not dispositive. Instead, courts view common ownership or a single owner in the context of whether there is gross entanglement between the entity or entities, on the one hand, and the owner(s). *See, e.g., White v. Creditors Serv. Corp. (In re Creditors Serv. Corp.)*, 195 B.R. 680, 690-91 (Bankr. S.D. Ohio 1996) (ordering substantive consolidation where "the financial wherewithal and financial affairs of the entities" and a person who was the sole

shareholder of three of the entities "are so entangled that they constitute a single enterprise," and where the entities "are treated as one enterprise by" this person); *In re Optical Technologies,*221 B.R. at 911-12 (ordering substantive consolidation where one of the corporations was the sole shareholder of three others, and all were under common ownership and control, because "it is now difficult if not impossible to segregate the assets and liabilities making up each separate… entity"). Common or sole ownership thus may be considered as evidence of entanglement, but appear to be considered in conjunction with the broader determination of whether the assets and liabilities of the entity and its equity owner are grossly entangled.

Substantive consolidation may also be ordered as a result of the failure to comply with corporate or similar formalities in connection with inter-affiliate transfers and third party transactions, directors and shareholders meetings, representations made to third parties regarding corporate entities, and any other formal conduct required by corporate or other relevant law. The failure to observe such formalities usually is not dispositive unless such elements, together with other evidence, support a finding of fraudulent or inequitable conduct by the debtors or their principals. For example, substantive consolidation has been determined to be appropriate where there was "an almost total disregard of the corporate fiction; the corporations are a sham – functionally indistinguishable from each other with commingling of assets and business functions." *In re Tureaud*, 45 B.R. 658, 661 (Bankr. N.D. Okla. 1985), *aff'd,* 59 B.R. 973 (N.D. Okla. 1986). In reaching this conclusion, the court found that directors and officers of the nondebtor affiliates, which were substantively consolidated with the debtor-principal, had acted in the principal's interest rather than independently. *Id.* at 661-662. The court took special notice of the debtor's principal's fraudulent purposes for establishing separate corporations, concluding that the separate entity was a "front to raise money for [the principal's personal] purposes, and to hinder and delay judgment creditors." *Id.* at 660*; see also In re Creditors Serv. Corp.*, 195 B.R. at 691 ("the entities are used to defray significant personal costs [of the sole shareholder] without regard to their separate identity.").

Leading case law indicates that substantive consolidation should not be justified solely on the basis of the administrative convenience that may result by dealing with affiliated debtors on a consolidated basis, even if the financial affairs of the debtors are not easily distinguishable. In some instances, protection of creditors whose interests would be adversely and unfairly affected by consolidation predominates over financial entanglement concerns. *See In re Flora Mir Candy Corp*., 432 F.2d 1060, 1063 (2d Cir. 1970) (a showing of difficulty in deconsolidating accounting records would probably not justify consolidation when claims of debenture holder of formerly independent entity would be extinguished or extremely diluted); *but see In re I.R.C.C., Inc*., 105 B.R. 237, 242-243 (Bankr. S.D.N.Y 1989) (evidence considered by court applying *Augie/Restivo* financial entanglement standard consisted primarily of representations by debtor's counsel and Chapter 7 trustee of inadequate accounting practices, undocumented inter-affiliate loans, commingled bank accounts, common use of assets, cross-funding of expenses and consolidated tax returns). Other cases involving financial entanglement illustrate that there is no "bright-line" in respect of the proof that may be required to demonstrate that substantive consolidation is warranted. *In re Vecco*, 4 B.R. at 408-09 (substantive consolidation granted without opposition when debtors had single operating account and consolidated financials, had made no attempt to segregate receivables, disbursements or income, had inaccurately allocated affiliate expenses through inter-company accounts, and had filed bankruptcy schedules on consolidated basis); *In re Baker & Getty Fin. Serv*., 78 B.R. 139, 142 (Bankr. N.D. Ohio 1987)

(substantive consolidation ordered when corporate funds were commingled and used for the principal's personal purposes, and corporate entities were alter egos of principal who admitted having engaged in Ponzi scheme to defraud investors); *and In re Tureaud*, 45 B.R. at 661 ("hopeless" commingling of personal and corporate assets, numerous undocumented inter-corporate transfers, lack of distinction between inter-company transactions despite separateness of books and records, and impossibility of accurately tracing all transfers supported substantive consolidation); *Cf. In re Ford*, 54 B.R. 145, 147-48 n. 6 (Bankr. W.D. Mo. 1984) (evidence of commingled corporate and personal funds in corporate bank account, common use of funds, and common responsibility for loans insufficient for substantive consolidation; appropriate remedies for diversion of debtors' funds for nondebtor uses are avoidance actions). Consequently, courts may attribute greater or lesser significance to the degree of financial entanglement between entities, and such weighting may not constitute an abuse of discretion or reversible error.

Case law is also evolving in which substantive consolidation is approved where failure to do so would reward insiders, former insiders, or holders of equity interests in one or more of the debtor entities to the detriment of unsecured trade creditors. *See, e.g., In re Bonham*, 229 F. 3d at 768 (substantive consolidation was appropriate, over the objection of certain investors holding short-term investment contracts, where failure to do so would prevent the trustee from pursuing fraudulent transfer actions against investors that had "recouped, in full or in part, their investments"); *In re Permian Producers Drilling, Inc.*, 263 B.R. 510, 519 (W.D. Tex. 2000) (approving substantive consolidation over the objection of a former equity holder where, in the absence of substantive consolidation, such person "would receive a substantial distribution on his claim, which is based on his equity investment," while unsecured creditors would receive less). While the courts have not clearly enunciated a guiding principal, it appears that courts will order substantive consolidation if failure to do so would (i) effectively penalize unsecured creditors that have acted in good faith in their dealings with one or more of the debtor entities and (ii) effectively reward persons or entities who are or were insiders or whose claims arose due to a motive other than obtaining a normal business profit. *See In re Affiliated Foods, Inc.,* 249 B.R. 770, 776 (W.D. Mo. 2001) ("substantive consolidation may be authorized whenever it will benefit the debtors' estates without betraying *legitimate* expectations of the debtors and their respective creditors." (emphasis added)). In these cases, however, substantive consolidation was ordered where, among other things, the debtor entities failed to observe corporate formalities and their capital structures were centrally controlled. As a result, it appears that courts will order substantive consolidation where equitable concerns exist only if other, more traditional, grounds for substantive consolidation also are present.

OPINION AND ANALYSIS

Subject to the assumptions, analysis and discussion set forth in this letter, notwithstanding that certain aspects of the law in this area remain unsettled and that there is no precedent directly on point, it is our opinion that a federal court in which RAD was a debtor in a case under the Bankruptcy Code would not, in a proper exercise of its equitable discretion, disregard the separate legal existence of one or more of the LLC Landlords so as to order substantive consolidation of the assets and liabilities of one or more of the LLC Landlords with the assets and liabilities of the bankruptcy estate of RAD.

In the present case, substantive consolidation would not be warranted by any excessive entanglement between any or all of the LLC Landlords and RAD. The financial and business affairs of each of the LLC Landlords will be segregated and readily distinguishable from those of RAD and any other person or entity. The separate assets and liabilities of each of the LLC Landlords will be readily ascertainable from those of RAD, through the entities' separate books and financial records, adequate books of account and financial records, and through the absence of undocumented or commercially unreasonable transactions between the parties, thus precluding valid assertions of financial entanglement as support for substantive consolidation. Each of the LLC Landlords and RAD also will strictly observe all corporate and other statutory formalities to maintain its continuous existence as a legal entity separate and apart from the other. Each of the LLC Landlords and RAD will hold each of the LLC Landlords out as an entity separate and distinct from RAD. As a result of strict compliance with appropriate formalities and preservation of all indicia of separateness, third parties should not reasonably believe that one or more of the LLC Landlords and RAD are a single entity.

Each of the LLC Landlords, on the one hand, and RAD, on the other hand, will conduct its business separately, paying its own expenses from its own funds and assets, and will not hold the assets or creditworthiness of the other out as being available to pay any of its creditors. Accordingly, no creditor of RAD should rely on the assets or creditworthiness of LLC Landlords to satisfy obligations of RAD; nor should any creditor of one or more of the LLC Landlords rely on the assets or creditworthiness of RAD to satisfy obligations of such LLC Landlords. It should be difficult for any third party or any such creditor to persuade a court that substantive consolidation is warranted under the balancing test or substantive consolidation "elements" approach because of the lack of any actual prejudice to creditors' interests associated with the recognition of one or more of the LLC Landlords as an entity separate from RAD.

Substantive consolidation in the present case also would be improper because of the absence of the more egregious "elements" discussed above (other than those present in most instances involving affiliated entities, as indicated in the discussion above) that would support a finding that one or more of the LLC Landlords is an alter ego or instrumentality of RAD. Specifically, (1) each of the LLC Landlords should have adequate capital for its intended purposes; (2) each of the LLC Landlords will provide for its expenses on an ongoing basis, and such expenses will not be paid by RAD; nor will any of the LLC Landlords pay the obligations of RAD; (3) each of the LLC Landlords will not be referred to as a division or department of RAD; (4) the Member of each of the LLC Landlords is expected to act in the interests of such LLC Landlord and its creditors, and is not expected to act contrary to those interests at the direction of RAD; (5) all formal legal requirements relating to the continuing existence of each of the LLC Landlords as a separate entity will be strictly observed; (6) there should be no difficulty in segregating and ascertaining the separate assets and liabilities of each of the LLC Landlords from those of RAD; (7) each of the LLC Landlords will have separate financial records; (8) there is no commingling of business functions between RAD and any of the LLC Landlords—the activities of each of the LLC Landlords are expected to be entirely separate from whatever business activities RAD may be engaged in; (9) RAD will not guarantee any obligation of any of the LLC Landlords or its subsidiaries and none of the LLC Landlords will guarantee any obligation of RAD; and (10) there will be no asset transfers between any of the LLC Landlords and RAD that will not be fully documented arm's length transactions for fair and reasonable consideration.

Substantive consolidation also appears improper in the present case if a court engages in a balancing test of the sort set forth in the *Auto-Train* test because creditors of RAD should be unable to demonstrate any harm to be remedied by substantive consolidation with respect to the any of the LLC Landlords' creditor's reliance and expectations that the assets of any of the LLC Landlords would be available to satisfy their claims or otherwise served as a basis for extending credit to RAD.

Moreover, from a policy perspective there would appear to be no incentive to collapse any or all of the LLC Landlords into the bankruptcy estate of RAD. Each of the LLC Landlords was not established for the purpose of perpetrating a fraud on the creditors of any of the LLC Landlords or RAD, or to circumvent public policy; nor would the continued recognition of each of the LLC Landlords as an entity distinct from RAD lead to such a result. On the contrary, each of the LLC Landlords was established for a legitimate business reason; and the contemplated financing, and expectations of each of the LLC Landlords' creditors, was based on such LLC Landlord's separate identity.

* * * * *

While we believe that our opinion set forth herein is supported by sound analysis of existing law, we found no statutes or reported cases containing all the material facts and circumstances that are present in this transaction. In rendering our opinion, we have thus relied on cases discussing certain of the facts and circumstances that are present in this transaction and on cases discussing more generally whether substantive consolidation of two or more persons or entities is proper. Accordingly, our opinion is not based on directly controlling precedent but rather on what we believe to be a sound analysis of existing authority. We also note that courts with authority to order substantive consolidation have broad equitable powers that, together with the *sui generis* nature of substantive consolidation, may allow a court to substantively consolidate one or more of the LLC Landlords' assets and liabilities with those of the bankruptcy estate of RAD (i) in the context of the confirmation of a Chapter 11 plan or (ii) even over the objection of creditors of any of the LLC Landlords. *See, e.g., In re Orfa Corp.*, 129 B.R. at 415-16. Consequently, the opinion set forth herein is not a guarantee of outcome or result; and we render no opinion as to whether a court that may review on appeal such a substantive consolidation order would conclude that the entry of such order constituted an abuse of discretion or reversible error. The foregoing opinion is expressly subject to there being no material fact that has not been communicated to us.

We express no opinion as to the law of any jurisdiction other than the federal bankruptcy laws of the United States of America and the laws of the State of Florida or to any issue not expressly addressed herein. This opinion is limited to the effect of the present state of the bankruptcy laws of the United States; and, in rending this opinion, we assume no obligation to revise or supplement this opinion should the present laws, or the interpretation thereof, be changed.

This opinion is being furnished only to you solely in connection with the transactions described herein, is solely for your benefit and that of your successors and assigns.

Very truly yours,

Exhibit H

NEGOTIATED SALE DISCLOSURE STATEMENT

[Pricing Date]

Lee County Industrial Development Authority
Fort Meyers, Florida

Lee County Community Charter Schools, LLC
Southwest Charter Foundation, Inc.
Fort Lauderdale, Florida

Re: $[XXX] Lee County Industrial Development Authority Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A (the "Series 2023A Bonds"), and $[YYY] Lee County Industrial Development Authority Taxable Industrial Development Authority Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B (the "Series 2023B Bonds," and together with the Series 2023A Bonds, the "Bonds")

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and in reference to the issuance of Bonds as set forth above, Herbert J. Sims & Co., Inc. (the "Underwriter"), makes the following disclosures to Lee County Industrial Development Authority (the "Issuer"), Lee County Community Charter Schools, LLC, a Florida limited liability company (the "Borrower") and Southwest Charter Foundation, Inc., a Florida corporation not for profit and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Foundation"). All capitalized terms not otherwise defined herein shall have the respective meanings specified in the Bond Purchase Agreement dated the date hereof among the Underwriter, the Issuer, Red Apple, CSUSA, the Foundation and the Borrower (the "Bond Purchase Agreement"). The Underwriter is acting as underwriter in connection with the offering or sale of the Bonds. The underwriting fees to be paid to the Underwriter in the Bond Purchase Agreement are equal to [_____]% of the total face amount of the Bonds.

(a) The expenses estimated to be incurred by the Underwriter in connection with the issuance of the Bonds are itemized on Schedule A hereto.

(b) Names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, the Underwriter and who enters into an understanding with either the Issuer or the Underwriter, or both, for any paid or promised compensation or valuable consideration directly, expressly or impliedly, to act solely as an intermediary between the Issuer and the Underwriter for the purpose of influencing any transaction in the purchase of the Bonds:

[None]

(c) The amount of underwriting spread expected to be realized is $[_____] per $1,000 of Bonds and consists of the following components including the management fee indicated:

	Per $1,000
Management Fee	$
Average Takedown	
Expenses	
Total	**$**

(d) No fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Bonds, to any persons not regularly employed or retained by the Underwriter (including any "finder" as defined in Section 218.386(1(a), Florida Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Underwriter, as set forth in Schedule A attached hereto.

(e) The name and address of the Underwriter connected with the Bonds is:

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, Connecticut 06824
Richard F. Harmon, Executive Managing Director

(f) *Truth in Bonding Statement.* The Bonds are being issued for the purpose of financing or refinancing, including through reimbursement: (i) the acquisition of the charter school facilities fully described on Schedule B attached hereto, which, by this reference thereto, is incorporated herein, (ii) the funding of a debt service reserve for the Series 2023A Bonds and the Series 2023B Bonds, and (iii) the payment of certain costs of issuance of the Bonds. This debt or obligation is expected to be repaid over a period of [_____] years. Total interest paid over the life of the debt or obligation, assuming an interest rate (total interest cost) of [_____]% per annum, will be approximately $[_____].

The source of repayment and security for this proposal to issue the Bonds is exclusively limited to certain revenues derived from the Borrower pursuant to the Loan Agreement. Because (a) such revenues may not be used by the Issuer for any purpose other than the purposes set forth in the Indenture, (b) the Issuer has no taxing power and the taxing power of the Issuer and the State of Florida is not pledged or involved in the Bonds, (c) the Bonds and the interest thereon do not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision, and (d) the faith and credit of the Issuer are not pledged to the payment of the principal of or the interest on the Bonds, authorizing this debt or obligation will not result in any moneys not being available to the Issuer to finance other transactions each year for the [_____] year term of the Bonds. We understand that the Issuer does not require any further disclosure from the Underwriter pursuant to Section 218.385, Florida Statutes.

HERBERT J. SIMS & CO., INC.

By:_____
Richard F. Harmon, Executive Managing Director

SCHEDULE A

Description	**Expense**
I-Deal Book Running	
Fed Funds	
DTC	
DAC Compliance Review	
CUSIP	
TOTAL	

SCHEDULE B

DESCRIPTION OF THE FACILITIES

The Facilities are described as follows:

Gateway Charter Elementary School. Gateway Charter Elementary School, located in the west-central area of Lee County, shares a facility with Gateway Intermediate Charter School. The original facility, financed with the proceeds of the Series 2007 Bonds, consists of a two-story building containing approximately 60,800 square feet on an approximately 5.78-acre site. In 2008, the facility was expanded, using proceeds of the Prior Debt, to add an adjoining facility containing approximately 32,510 square feet an approximately one acre site. Gateway Charter Elementary School was originally a grades K-8 school, but in 2008, Gateway Intermediate Charter School was created to serve students in grades 5-8, with Gateway Charter Elementary School continuing to serve students in grades K-4. In July 2023, the Foundation's Charter for Gateway Charter Elementary School with The School Board of Lee County, Florida (the "Lee County School Board") was [renewed and amended to consolidate Gateway Charter Elementary School, Gateway Intermediate Charter School, and Gateway Charter High School into a single charter to serve students in grades K-12 with up to [1,400] students.

Gateway Intermediate Charter School. Gateway Intermediate Charter School shares a facility with Gateway Charter Elementary School for its 5th grade students, and for its grades 6-8 students it shares a facility with Gateway Charter High School.

*Gateway Charter High Schoo***l**. Gateway Charter High School, located near the Gateway Charter Elementary School, consists of a three-story building containing approximately 104,000 square feet on an approximately 12-acre site with a design capacity of 1,600 students. Gateway Charter High School has its own track, soccer field, outside dining area, two computer labs, music room with stage, library, cafeteria, gym with motorized bleachers and full-size basketball court.

Mid Cape Global Academy. Mid Cape Global Academy f/k/a Cape Coral Charter School, located in the North Fort Myers area of Lee County, consists of a two-story building containing approximately 77,360 square feet on an approximately 5.15-acre site with a capacity for 1,340 students. The Foundation's Charter for Mid Cape Global Academy with the Lee County School Board provides for the operation of Mid Cape Global Academy for grades K-8 with up to 1,600 students.

Six-Mile Charter Academy. Six-Mile Charter Academy, located in the central area of Lee County, consists of a two-story building containing approximately 77,360 square feet on an approximately 6.5-acre site with a design capacity of 1,340 students in grades K-8. The facilities have traditional classrooms, as well as specialty rooms, a computer lab and a multipurpose room. The Foundation's Charter for Six Mile Charter Academy with the Lee County School Board provides for the operation of Six Mile Charter Academy for grades K-8 with up to 1,600 students.

Manatee Charter School. Manatee Charter School opened in August 2012 in Bradenton, Manatee County, Florida. The facilities were newly constructed prior to opening and consist of a 63,900 square foot facility with 55 classrooms on approximately 9.7 acres. The Foundation operates Manatee Charter School as a grades K-8 school under a charter with The School Board of Manatee County with up to 1,145 students.

The following chart lists, for each School, the lessor under the related Lease, the sponsoring School Board and the Manager.

School	Lessor	School Board (County)	Manager
Gateway Charter Elementary School	Borrower[1]	Lee	Charter Schools USA at Lehigh Acres, L.C.
Gateway Charter High School	Borrower	Lee	Charter Schools USA at Gateway, L.C.
Mid Cape Charter School	Borrower	Lee	Charter Schools USA at Cape Coral, L.C.
Six-Mile Charter Academy	Borrower	Lee	Charter Schools USA at Six Mile, L.C.
Gateway Intermediate Charter School	Borrower	Lee	Charter Schools USA at Lehigh Acres, L.C.
Manatee Charter School	Red Apple at Manatee, LLC	Manatee	Charter Schools USA at Manatee, LLC

[1] The Gateway Expansion, adjacent to Gateway Charter School, is owned by Red Apple at Gateway EXP, LLC and leased to the Borrower pursuant to the Red Apple Gateway Lease.

EXHIBIT I
FORM OF ISSUE PRICE CERTIFICATE

$[XXX]
Lee County Industrial Development Authority
Industrial Development Authority Bonds
(Lee County Community Charter Schools,
LLC Projects)
Series 2023A

Dated: [Closing Date]

The undersigned, on behalf of Herbert J. Sims & Co., Inc. ("HJ Sims") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective prices listed in Schedule I.

2. Defined Terms.

(a) *Issuer* means the Lee County Industrial Development Authority.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents HJ Sims' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Watson

Sloane PLLC as Borrower's Bond Counsel, and Nabors, Giblin & Nickerson, P.A. as Issuer's Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer, the Borrower, or the Lessee from time to time relating to the Bonds.

[Remainder of page intentionally left blank; signature page to follow]

HERBERT J. SIMS & CO., INC.

By: _____
Robert A. Nickell, Jr.,
Executive Vice President

Dated the date first written above.

SCHEDULE I

SALE PRICES

(*Attached*)

EXHIBIT C

FORM OF SECOND SUPPLEMENTAL MORTGAGE AND LOAN AGREEMENT

This instrument prepared by
and return to:

Brian A. Watson, Esq.
Watson Sloane PLLC
201 E. Kennedy Blvd.
Suite 1200
Tampa, FL 33602

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

And

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

SECOND SUPPLEMENTAL MORTGAGE AND LOAN AGREEMENT

dated as of [November] 1, 2023

Supplementing the

MORTGAGE AND LOAN AGREEMENT

Dated as of APRIL 1, 2007

$[_____]
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Project)
Series 2023A

$[_____]
Lee County Industrial Development Authority
Taxable Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Project)
Series 2023B

Note to Clerk: No Florida intangible taxes or documentary stamp taxes are due hereon pursuant to Section 159.31, Florida Statutes and Section 154.2331, Florida Statutes.

TABLE OF CONTENTS

ARTICLE VII
SECURITY FOR THE SERIES 2023 BONDS

ARTICLE VIII
EVENTS OF DEFAULT

ARTICLE IX
MISCELLANEOUS

SECOND SUPPLEMENTAL MORTGAGE AND LOAN AGREEMENT

THIS SECOND SUPPLEMENTAL MORTGAGE AND LOAN AGREEMENT is entered into as of [November] 1, 2023 between the LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (the "Authority"), a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida, and LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC (the "Company"), a limited liability company duly organized and existing under the laws of the State of Florida.

RECITALS

WHEREAS, the Authority has previously issued its $80,520,000 aggregate principal amount of Industrial Development Revenue Bonds, (Lee County Community Charter Schools, LLC Project), Series 2007A, $[_____] of which are presently outstanding (the "Series 2007A Bonds") and Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2007B, none of which are presently outstanding (the "Series 2007B Bonds" and together with the Series 2007A Bonds, the "Series 2007 Bonds") for the benefit of the Company pursuant to the terms of an Indenture of Trust dated as of April 1, 2007 (the "Original Indenture"), by and between the Authority and Regions Bank as trustee (the "Trustee"); and

WHEREAS, the Authority and the Company have previously entered into that certain Mortgage and Loan Agreement dated as of April 1, 2007 (the "Original Loan Agreement"), pursuant to which the Authority loaned the proceeds of the Series 2007 Bonds to the Company for the principal purpose of providing funds to the Company to finance all or part of the acquisition and construction of certain charter school facilities and the land on which such facilities are located (the "2007 Sites") and improvements thereto (collectively, the "2007 Project"), which 2007 Project was leased by the Company to the Southwest Charter Foundation, Inc., formerly known as The Lee Charter Foundation, Inc., a Florida not-for-profit corporation and sole member of the Company (the "Foundation") in accordance with the terms of the Leases (as defined in the Original Indenture) and operated by the Foundation as charter school facilities; and

WHEREAS, the Authority has previously issued its $20,685,000 aggregate principal amount of Industrial Development Revenue Bonds, (Lee County Community Charter Schools, LLC Project), Series 2012A, $[_____] of which are presently outstanding (the "Series 2012A Bonds") and Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2012B, none of which are presently outstanding (the "Series 2012B Bonds" and together with the Series 2012A Bonds, the "Series 2012 Bonds") for the benefit of the Company pursuant to the terms of a First Supplemental Indenture of Trust dated as of August 1, 2012 (the "First Supplemental Indenture" and, together with the Original Indenture, the "Supplemented Indenture"), by and between the Authority and the Trustee; and

WHEREAS, the Authority and the Company have previously entered into that certain First Supplemental Mortgage and Loan Agreement dated as of August 1, 2012 (the "First Supplemental Loan Agreement" and, together with the Original Loan Agreement, the "Supplemented Loan Agreement"), pursuant to which the Authority loaned the proceeds of the Series 2012 Bonds to the

Company for the principal purpose providing funds to the Company to finance or refinance all or part of the acquisition (or obtaining a long term leasehold interest in), construction and equipping of a certain charter school facility and the land on which the facility is located and an expansion site adjacent to a portion of the 2007 Project (the "2012 Sites") and improvements thereto (collectively, the "2012 Project"), which 2012 Project was titled in the name of Red Apple at Manatee, LLC and Red Apple at Gateway EXP, LLC and leased to the Foundation in accordance with the terms of the 2012 Project and Site Leases (as defined in the First Supplemental Indenture) and operated by the Foundation as charter school facilities; and

WHEREAS, the Company has requested the Authority to issued two new Series of revenue bonds and loan the proceeds thereof to the Company to be used, together with other legally available moneys, for the purposes of (i) financing, refinancing and reimbursing the Company for the cost of various capital improvements, equipment and expansions related to its existing educational and ancillary facilities located at (a) Gateway Charter School, 12850 Commonwealth Drive, Fort Myers, Florida 33913, (b) Gateway Charter High School and Gateway Intermediate Charter School, 12770 Gateway Boulevard, Fort Myers, Florida 33913, (c) Six Mile Charter Academy, 6851 Lancer Avenue, Fort Myers, Florida 33912, and (d) Mid Cape Global Academy (f/k/a Cape Coral Charter School), 76 Mid Cape Terrace, Cape Coral, Florida 33911 (collectively, the "2023 Project Facilities"), and (ii) paying the costs and funding necessary reserves associated with the issuance of the Series 2023 Bonds (collectively, the "2023 Project"); and

WHEREAS, in connection with the issuance of the Series 2023 Bonds, it is necessary to supplement the Supplemented Loan Agreement in certain respects to provide for the issuance of the Series 2023 Bonds and to modify certain provisions set forth in the Supplemented Loan Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto formally covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS

SECTION 1. DEFINTIONS. Except as otherwise defined herein, words and terms which are defined in the Supplemented Loan Agreement shall have the same meanings ascribed to them when used herein unless the context or use indicates a different meaning or intent. All other capitalized term used herein and not defined herein shall have the meanings assigned to such terms in the Second Supplemental Indenture. In addition to the words and terms elsewhere defined in this Second Supplemental Loan Agreement, the following words and terms as used herein shall have the following meanings:

"**Assignment of Second Supplemental Loan Agreement**" means the Assignment of Second Supplemental Loan Agreement, dated as of [November] 1, 2023, from the Authority to the Trustee.

"**Series 2023 Bond Purchase Agreement**" means that certain Bond Purchase Agreement dated [November __], 2023 among the Authority, the Underwriter, the Company, the Foundation,

Red Apple at Manatee, LLC, Red Apple at Gateway EXP, LLC and Charter Schools USA, Inc. ("CSUSA").

"**Series 2023 Company Documents**" means collectively, the Charters, the Original Loan Agreement, the First Supplemental Loan Agreement, the Second Supplemental Loan Agreement, the Series 2023 Bond Purchase Agreement, the 2012 Mortgages, the 2023 Mortgage, the Lease, the 2012 Project and Sites Leases, the Series 2023 Tax Certificate, the Series 2023 Continuing Disclosure Agreement and the Management Agreements for the Schools.

"**Series 2023 Loan**" means the loan of proceeds of the Series 2023 Bonds by the Authority to the Company as described in this Second Supplemental Loan Agreement.

"**Series 2023 Tax Certificate**" means the certificate of the Authority and Company relating to the tax-exempt status of the Series 2023A Bonds.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 2.1 REPRESENTATIONS, WARRANTIES AND COVENANTS BY THE AUTHORITY. The Authority represents, covenants and warrants for the benefit of the Company, the Trustee, and the owners and Beneficial Owners of the Bonds that:

(a) the Authority is a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State duly organized and validly existing under and pursuant to the laws of the State;

(b) the Authority has full power and authority, and has taken all necessary action under the Act to engage in the transactions contemplated by this Second Supplemental Loan Agreement and to carry out its obligations hereunder and under the Supplemented Loan Agreement;

(c) the Authority has been duly authorized to execute and deliver this Second Supplemental Loan Agreement and the Assignment of Second Supplemental Loan Agreement and by proper official action has duly authorized the execution and delivery of this Second Supplemental Loan Agreement and the Assignment of Second Supplemental Loan Agreement. Such instruments are valid and binding as they relate to the Authority and are enforceable in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency, moratorium, reorganization, and other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principals of equity;

SECTION 2.2 REPRESENTATIONS, WARRANTIES AND COVENANTS BY THE COMPANY. The Company represents, warrants and covenants for the benefit of the Authority, the Trustee, and the owners and Beneficial Owners of the Bonds, that:

(a) the Company is a limited liability company, duly incorporated, validly existing and in good standing under the laws of the State and has all requisite corporate power and authority to

enter into and fully perform this Second Supplemental Loan Agreement, the Lease, the 2012 Project and Sites Leases, and the Series 2023 Bond Purchase Agreement. All necessary corporate action on the part of the Company relating to the authorization of its execution and delivery of the Second Supplemental Loan Agreement, the Lease, the 2012 Project and Sites Leases, and the Series 2023 Bond Purchase Agreement and the performance of its duties and obligations contained herein and therein have been duly taken, and this Second Supplemental Loan Agreement, the Lease, the 2012 Project and Sites Leases and the Series 2023 Bond Purchase Agreement, when executed and delivered, will each be valid and enforceable in accordance with their respective terms, except as the same may be limited in bankruptcy, insolvency, moratorium, reorganization, and other similar laws affecting creditor's rights generally, or by the exercise of judicial discretion in accordance with general principals of equity;

(b) except as described in the Official Statement relating to the Series 2023 Bonds, there are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened against or affecting the Company, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which, if determined adversely to the Company, would have a materially adverse effect on the value of its assets or the results of its operations or income;

(c) no Default or Event of Default has occurred and is continuing under the Supplemented Loan Agreement or the Lease and the Company is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any evidence of indebtedness or in any contract or lease to which it is a party, which would, individually or in the aggregate, have a materially adverse effect on the value of its assets, the results of its operations or its income. Neither the execution and delivery of the Second Supplemental Loan Agreement, the Lease, the 2012 Project and Sites Leases or the Series 2023 Bond Purchase Agreement, nor the consummation of the transactions herein contemplated, nor compliance with the terms and provisions of the Loan Agreement, the Lease, the 2012 Project and Sites Leases or the Series 2023 Bond Purchase Agreement will violate the provisions of any applicable law or of any applicable order or regulation of any governmental authority having jurisdiction over the Company and will not conflict or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the Company is now a party, or constitute a default thereunder, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Company;

(d) there is no action pending, or to the best of the Company's knowledge, threatened by any person, firm, corporation or other legal entity, which, if taken, would materially adversely affect the Company's financial condition, the success of its business or its ability to perform its obligations under the Loan Agreement; and

(e) except as disclosed in the Limited Offering Memorandum relating to the Series 2023 Bonds, to the best of the Company's knowledge, the condition, operation or use of the Facilities does not violate any applicable environmental requirement, laws or regulations as of the date hereof nor are there Hazardous Materials located at, in or under the Facilities for which cleanup or corrective action of any kind is required under any environmental laws or regulations.

All of the representations, warranties and covenants contained in this Section 2.2 shall survive the making of this Second Supplemental Loan Agreement and the issuance of the Series 2023 Bonds.

SECTION 2.3 ENVIRONMENTAL REPRESENTATIONS AND COVENANTS. Except as may be described in the Phase I Environmental Site Assessments prepared by [_____] with respect to the 2023 Sites, neither the Company nor, to its knowledge, any other Person has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of on, under or at the 2023 Project, or any part thereof except in compliance with Environmental Laws. The Company hereby warrants and represents that, to the best of its knowledge, it has complied and, in the future, will comply and will cause the Managers and any other party to a Lease or Use Agreement with respect to any portion of the 2023 Project to comply in all material respects with all applicable Environmental Laws. None of the 2023 Project has previously contained, and none of such 2023 Project now contains, any underground storage tanks (other than in compliance with all applicable Environmental Laws) and none has ever been used by the Company or by any other Person as a temporary or permanent storage or disposal site for any Hazardous Material. The Company has delivered to the Trustee all environmental reports, studies, audits and other data and information in the possession or control of the Company relating to the 2023 Project.

If the Trustee reasonably suspects that any violation of the Environmental Laws has occurred or is occurring involving the 2023 Project or if a default shall have occurred and be continuing which, with the passage of time or the giving of notice, or both, would constitute an Event of Default, the Trustee shall have the right, but not the obligation, to conduct any tests or inspections of the 2023 Project at the Company's expense (including, without limitation, soil and other tests, borings, sampling and monitoring) in order to determine compliance with Environmental Laws or the presence thereon or therein of Hazardous Material and shall have access to the 2023 Project for such purposes.

ARTICLE III
FINANCING AND REFINANCING THE COST OF THE 2023 PROJECT; ISSUANCE OF THE SERIES 2023 BONDS

SECTION 3.1 AGREEMENT TO UNDERTAKE THE 2023 PROJECT. The Company agrees that it has and will improve and equip the 2023 Project described in EXHIBIT B attached hereto.

SECTION 3.2 AGREEMENT TO ISSUE THE SERIES 2023 BONDS: APPLICATION OF THE SERIES 2023 BOND PROCEEDS. In order to provide funds to make the Series 2023 Loan for payment of the 2023 Project, the Authority will sell and cause to be delivered to the initial purchasers thereof, the Series 2023A Bonds and the Series 2023B Bonds. The proceeds of the Series 2023 Bonds shall be applied by the Trustee in the manner set forth in Section 3.04 of the Second Supplemental Indenture.

SECTION 3.3 DISBURSEMENTS FROM THE PROJECT FUND. The Authority has, in the Second Supplemental Indenture, authorized and directed the Trustee to make

payments from the Project Fund to pay (or to reimburse the Company for the payment of) the Cost of the 2023 Project, including costs related to the acquisition, improvement, equipment and operation of the 2023 Project. Each such payment of the Cost of the 2023 Project shall be made only upon receipt by the Trustee of a requisition in the form attached hereto as EXHIBIT D signed by the Company Representative.

SECTION 3.4 OBLIGATION OF THE PARTIES TO COOPERATE IN FURNISHING DOCUMENTS TO TRUSTEE. The Company agrees to cooperate with the Trustee, and the Authority in furnishing to the Trustee the requisitions referred to in Sections 3.3 hereof.

SECTION 3.5 ARBITRAGE AND TAX MATTERS.

(a) The Company shall carry on or permit to be carried on in the 2023 Project, the other facilities of the Company or any other property now or hereafter owned or leased by the Company (or with the Pledged Revenues of the Company, the proceeds of Series 2023A Bonds or any tax-exempt Additional Bonds, or the proceeds of any loan refinanced with the proceeds of Series 20223A Bonds or any tax-exempt Additional Bonds), any trade or business the conduct of which would cause the interest on the Series 2023A Bonds or any tax-exempt Additional Bonds to be required to be included in the gross income of the Holders thereof for purposes of federal income taxation.

(b) No more than five percent (5%) of the net proceeds of the Series 2023A Bonds (less any Series 2023A Bond proceeds used to fund the Repair and Replacement Reserve Fund) will be used to finance costs of issuance and costs of facilities included in the 2023 Project used or to be used (i) in unrelated trades or businesses (within the meaning of Section 513(a) of the Code) of an organization described in Section 50l(c)(3) of the Code, or (ii) in the trade or business of a person other than an organization described in Section 501(c)(3) of the Code or a governmental entity. The Company will not use the facilities financed, refinanced and/or reimbursed as part of the 2023 Project, or permit the facilities financed, refinanced and/or reimbursed as part of the 2023 Project to be used in whole or in part, by any person (including, without limitation, any lessee) in a manner which would result in a violation of this subsection (b).

ARTICLE IV
LOAN PAYMENTS

SECTION 4.1 SERIES 2023 LOAN PAYMENTS AND OTHER AMOUNTS PAYABLE.

(a) To provide for the repayment of the Series 2023 Loan and required deposits under Section 3.3 of the Original Indenture and Section 3.04 of the Second Supplemental Indenture, the Company shall cause all Pledged Revenues to be delivered to the Trustee, as and when received, for deposit into the Revenue Fund, as received, to be applied in accordance with the Supplemented Indenture and the Second Supplemental Indenture.

(b) Upon any acceleration of amounts due under the Supplemented Loan Agreement and this Second Supplemental Loan Agreement, the Company shall immediately pay as repayment of the Series 2023 Loan, for deposit as provided in the Supplemented Indenture and the Second Supplemental Indenture, an amount which, together with other moneys available under the Supplemented Loan Agreement and this Second Supplemental Loan Agreement, is sufficient to pay the entire principal of and interest on the Bonds and all other amounts payable under the Supplemented Loan Agreement and this Second Supplemental Loan Agreement and the Supplemented Indenture and the Second Supplemental Indenture, including, without limitation, Default Interest (as defined in the Original Indenture) through the date of payment.

(c) On or before any redemption date (other than a sinking fund redemption date) for which a notice of redemption has been given pursuant to the Supplemented Indenture, the Company shall pay as repayment of the Series 2023 Loan, for deposit in the Bond Principal Fund, an amount which, together with other moneys available therefor in the Bond Principal Fund (and, if all Bonds of a series are called for redemption, amounts in the corresponding Subaccount of the Debt Service Reserve Fund, to the extent available for such purpose under the Supplemented Indenture and the Second Supplemental Indenture), is sufficient to pay the principal of and premium, if any, on the Bonds called for optional or mandatory redemption, and for deposit into the Bond Interest Fund an amount of money which, together with other moneys available therefor in the Bond Interest Fund, is sufficient to pay the interest accrued to the redemption date on the Bonds called for optional or mandatory redemption. If on any principal or interest payment date on the Bonds or the date any other amounts are payable on the Bonds the amount held by the Trustee in the Bond Principal Fund and the Bond Interest Fund is insufficient to make the required payments of principal of, premium, if any, and interest on the Bonds, the Company shall forthwith pay such deficiency as repayment of the Series 2023 Loan for deposit in the Bond Principal Fund or the Bond Interest Fund, as the case may be.

(d) The Company acknowledges the requirement to pay all other amounts due under the Original Loan Agreement as they relate to the Series 2023 Bonds.

ARTICLE V
SPECIAL COVENANTS

SECTION 5.1 FURTHER ASSURANCES. The Authority and the Company agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledge and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Second Supplemental Loan Agreement.

ARTICLE VI
PREPAYMENT OF THE SERIES 2023 LOAN

SECTION 6.1 GENERAL OPTION TO PREPAY THE LOAN. Subject to Section 6.3 hereof, the Company shall have and is hereby granted the option exercisable at any time to prepay all or any portion of the Series 2023 Loan by depositing with the Trustee an amount of money or Government Obligations described in Section (a)(i) of the definition of such term as

set forth in Article I of the Original Indenture to the extent permitted by Section 7.1 of the Original Indenture, the principal and interest on which, when due, will be equal (giving effect to the credit, if any, provided by Section 6.2 hereof) to an amount sufficient to pay the principal of (in integral multiples of $100,000 and in multiples of $5,000 in excess thereof so long as the remaining principal amount of each Bond subject to redemption is at least equal to an Authorized Denomination), premium, if any, and interest on any portion of the Series 2023 Bonds then Outstanding under the Indenture. The exercise of the option granted by this Section shall not be cause for redemption of Series 2023 Bonds unless such redemption is permitted or required at that time under the provisions of Article V of the Original Indenture, and the Company Representative specifies the date for such redemption. In the event the Company prepays all of the Series 2023 Loan pursuant to this Section (and the Series 2023 Bonds are defeased in accordance with the Indenture) and pays all reasonable and necessary fees and expenses of the Trustee accrued and to accrue through final payment or redemption of the Series 2023 Bonds as a result of such prepayment and all of its liabilities accrued and to accrue hereunder to the Authority through final payment or redemption of the Series 2023 Bonds as a result of such prepayment, this Second Supplemental Loan Agreement shall terminate except for such provisions expressly stated to survive such termination. The Authority and the Trustee may certify to the Company prior to payment all expenses, fees and liabilities due for payment hereunder. Payment of moneys or securities to the Trustee under this Section 6.1 shall be accompanied by an Opinion of Bond Counsel to the effect that the application of such payment will not adversely affect the tax-exempt status of the Series 2023A Bonds Outstanding and any tax-exempt Additional Bonds.

SECTION 6.2 PREPAYMENT CREDITS. In the event of prepayment by the Company of the Series 2023 Loan in whole the amounts then contained in the Funds related to the Bonds shall be credited first to the Rebate Fund so that it shall be fully funded for any required payment to the federal government therefrom, and then against the Company's prepayment obligation

SECTION 6.3 USE OF PREPAYMENT MONEYS. By virtue of the assignment of the rights of the Authority under this Second Supplemental Loan Agreement to the Trustee, the Company agrees to and shall pay any amount required to be paid by it under this Article directly to the Trustee (other than amounts to be paid to the Authority for its own account or as otherwise provided herein). The Trustee shall use the moneys so paid to it by the Company to pay the fees and expenses of the Trustee and then pay the principal of and interest on the Bonds on regularly scheduled payment or redemption dates.

ARTICLE VII
SECURITY FOR THE SERIES 2023 BONDS

SECTION 7.1 SECURITY FOR THE SERIES 2023 LOAN. In accordance with Section 3.1 of the Original Loan Agreement as amended and supplemented, the debt obligations of the Company under the Loan Agreement are direct obligations of the Company payable from the Pledged Revenues. To further secure its obligations under the Loan Agreement the Company hereby pledges and grants a security interest in the amounts due the Company under the Lease, including without limitation, all Charter Revenues, Additional Revenue and other amounts payable

by the Foundation under the Lease and to deliver the same directly to the Trustee for deposit in the Revenue Fund in accordance with Section 3.3 of the Original Indenture. For all purposes of the Loan Agreement and the Indenture such amounts shall be deemed part of the Pledged Revenues.

To secure the prompt payment of all amounts due under the Loan Agreement, and the observance and performance by the Company of all of its covenants, agreements and obligations under the Loan Agreement, and to protect the prompt payment of the Bonds, the Company hereby assigns to the Authority, hereby grants to the Authority to the extent permitted by law on the hate hereof, and covenants, agrees and acknowledges that subject to Permitted Liens (as defined in Section 8.9(b) of the Original Loan Agreement) the Authority has and shall continue to have an assignment of and first lien security interest in all Pledged Revenues, and a first mortgage interest in the 2007 Project and 2012 Project and acknowledges and approves the 2023 Mortgage and 2023 Assignment. That assignment and the grant of said security mortgage and leasehold interests are and shall be on a parity with the further assignments made or mortgage and security interests heretofore granted by the Company pursuant to the Original Loan Agreement.

The Company represents, warrants and confirms that (i) it has full power and authority and has the lawful right to assign and grant a first lien security interest in the Pledged Revenues, a first mortgage in the 2007 Project, the 2012 Project and the 2023 Project, and (ii) the Pledged Revenue, the 2007 Project, the 2012 Project and the 2023 Project are free and clear of all encumbrances other than (a) the Series 2007A Bonds, the Series 2012A Bonds, and the Series 2023 Bonds, (b) the 2012 Mortgages and the 2023 Mortgage, and (c) the Permitted Liens. The Company warrants fully the title (or leasehold interest, as applicable) thereto and to every part thereof, and covenants and agrees to defend that title (or leasehold interest, as applicable) against the claims of all Persons and to maintain, except for Permitted Liens and to the extent provided otherwise in the Loan Agreement, the priority of the assignment and of the security and mortgage interests granted pursuant to the Loan Agreement.

ARTICLE VIII
EVENTS OF DEFAULT

SECTION 8.1 EVENTS OF DEFAULT. In addition to all other Events of Default (as defined in the Original Loan Agreement), the failure of Company to comply with Section 4.1 of this Second Supplemental Loan Agreement shall also constitute an Event of Default.

ARTICLE IX
MISCELLANEOUS

SECTION 9.1 BINDING EFFECT. This Second Supplemental Loan Agreement shall inure to the benefit of and shall be binding upon the Authority and the Company and their successors and assigns, subject, however, to the limitations contained in the Supplemented Loan Agreement and herein.

SECTION 9.2 SEVERABILITY. In the event any provision of this Second Supplemental Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.3 SUPPLEMENTED LOAN AGREEMENT TO REMAIN IN FORCE AND EFFECT; CONTINUING SECURITY; CONFLICTS. Except as otherwise supplemented hereby, the provisions of the Supplemented Loan Agreement shall remain in full force and effect. Nothing contained herein is intended or shall be construed to diminish the security granted to the Authority or the Trustee pursuant to the Supplemented Loan Agreement for the benefit of the Bondholders. In the event of any conflict between the provisions of the Supplemented Loan Agreement and this Second Supplemental Loan Agreement, the terms hereof shall prevail.

SECTION 9.4 EXECUTION IN COUNTERPARTS. This Second Supplemental Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.5 REFERENCES TO BONDS, LOAN, PROJECT AND FACILITIES. Any and all references in the Supplemented Loan Agreement to the "Bonds" shall specifically include the Series 2023 Bonds (and shall continue to include the Series 2007A and Series 2012A Bonds), as described in this Second Supplemental Loan Agreement. Any and all references in the Supplemented Loan Agreement to the "Loan" shall specifically include the Series 2023 Loan, as described in this Second Supplemental Loan Agreement and in the Second Supplemental Indenture. Any and all references in the Supplemented Loan Agreement to the "Project" shall specifically include the 2023 Project, as described in this Second Supplemental Loan Agreement. Any and all references to the "Facilities" shall include the 2023 Facilities as described on EXHIBIT B attached hereto.

SECTION 9.6 RATIFICATION OF AMENDMENTS TO SECTIONS 8.12 AND 8.15 ORIGINAL LOAN AGREEMENT PURSUANT TO THE FIRST SUPPLEMENTAL LOAN AGREEMENT. Section 10 of the First Supplemental Loan Agreement, amending Sections 8.12 and 8.15 of the Original Loan Agreement, is hereby ratified and such amended financial covenants are extended to include the Series 2023 Bonds.

IN WITNESS WHEREOF, the Authority and the Company have caused this Second Supplemental Loan Agreement to be executed in their respective corporate names and attested by their duly authorized officers, all as of the date first above written.

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

WITNESSES:

By:_____
Name: Ken Haiko
Title: President, Secretary and Treasurer
Address: 800 Corporate Drive, Suite 700
Fort Lauderdale, Florida 33304

_____
Print Name:_____

_____
Print Name:_____

The foregoing instrument was acknowledged before me and by means of ☐ physical presence or ☐ online notarization, this ___ day of _____ 2023, by Ken Haiko, President, Secretary and Treasurer, of the Lee County Community Charter Schools, LLC. Such person is personally known to me or has produced _____ as identification.

[Notary Seal]

_____
Notary Public

_____
Name typed, printed or stamped

My Commission Expires: _____

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

WITNESSES:

By:_____
Name: _____
Title: Chairman
Address: _____
_____

_____
Print Name:_____

_____
Print Name:_____

The foregoing instrument was acknowledged before me and by means of ☐ physical presence or ☐ online notarization, this ___ day of _____ 2023, by _____, Chairman, of the Lee County Industrial Development Authority. Such person is personally known to me or has produced _____ as identification.

[Notary Seal]

_____
Notary Public

_____
Name typed, printed or stamped
My Commission Expires: _____

ACKNOWLEDGED AND APPROVED:

CHARTER SCHOOLS USA AT LEHIGH ACRES, LLC
CHARTER SCHOOLS USA AT GATEWAY, LLC
CHARTER SCHOOLS USA AT GATEWAY, L.C.
CHARTER SCHOOLS USA AT CAPE CORAL, L.C.
CHARTER SCHOOLS USA AT SIX MILE, LLC
CHARTER SCHOOLS USA AT MANATEE, LLC

_____

Name: Jonathan K. Hage
Title: Chairman, Chief Executive Officer
Address: 800 Corporate Drive, Suite 124
Fort Lauderdale, Florida 33334

The foregoing instrument was acknowledged before me and by means of ☐ physical presence or ☐ online notarization, this ___ day of _____ 2023, by Johnathan K. Hage, Chairman and Chief Executive Officer of Charter Schools USA at Lehigh Acres, L.C., Charter Schools USA at Gateway, L.C., Charter Schools USA at Cape Coral, L.C., Charter Schools USA at Six Mile, L.C. and Charter Schools USA at Manatee, LLC. Such person is personally known to me or has produced _____ as identification.

[Notary Seal]

_____

Notary Public

_____

Name typed, printed or stamped

My Commission Expires: _____

ACKNOWLEDGED AND APPROVED
RED APPLE AT MANATEE, LLC
RED APPLE AT GATEWAY EXP, LLC

_____

Name: Jonathan K. Hage
Title: President
Address: 800 Corporate Drive, Suite 124
Fort Lauderdale, Florida 33334

The foregoing instrument was acknowledged before me and by means of ☐ physical presence or ☐ online notarization, this ___ day of _____ 2023, by Johnathan K. Hage, President of Red Apple at Manatee, LLC and Red Apple at Gateway EXP, LLC. Such person is personally known to me or has produced _____ as identification.

[Notary Seal]

_____

Notary Public

_____

Name typed, printed or stamped

My Commission Expires: _____

EXHIBIT A

LEGAL DESCRPTION OF THE SITES

EXHIBIT B
DESCRIPTION OF THE 2023 FACILITIES

[TO BE UPDATED]

EXHIBIT C

PERMITTED LIENS

EXHIBIT D

FORM OF REQUISITION FROM SERIES 2023 PROJECT FUND

Request No:_____

Date:_____

DISBURSEMENT REQUEST
(PROJECT FUND)

To: Regions Bank
Little Rock, Arkansas

Re: Lee County Industrial Development Authority Industrial Development Revenue Bonds, Series 2023A (Lee County Community Charter Schools, LLC Projects), Series 2023A and Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds, Series 2023B (Lee County Community Charter Schools, LLC Projects), Series 2023B

You are hereby requested and directed as Trustee under the Indenture of Trust dated as of April 1, 2007 (the "Original Indenture"), as supplemented by the First Supplemental Indenture of Trust, dated as of August 1, 2012 (the "First Supplemental Indenture"), as further supplemented by the Second Supplemental Indenture of Trust dated [November] 1, 2023 (the "Second Supplemental Indenture", and together with the Original Indenture and the First Supplemental Indenture, the "Indenture"), between the Lee County Industrial Development Authority (the "Authority") and you, as Trustee, to pay from moneys in the Series 2023A Subaccount of the Project Fund, pursuant to Section 3.04 of the Second Supplemental Indenture, to the following payees the following amounts in payment or reimbursement for the Costs of the 2023 Project listed on Exhibit A to this Disbursement Request.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture. All representations and statements made herein are for the benefit of the Trustee and the other parties related to the issuance of the Series 2023 Bonds and may not be relied upon by third parties.

The undersigned Company Representative hereby states and certifies that:

l. Each item listed on Exhibit A is a valid cost authorized under the Indenture and is a proper Cost of the 2023 Project that was incurred in the acquisition, completion, improvement or equipping of portions of the 2023 Project in accordance with any construction contracts and plans and specifications therefor.

2. These Costs of the 2023 Project have been incurred by the Company and are presently due and payable or have been paid by the Company and are reasonable costs that are payable or reimbursable under the Indenture and each item thereof is a proper charge against the Project Fund.

3. Each item listed above has not previously been paid or reimbursed from moneys in the Project Fund and no part thereof has been included in any other Disbursement Request previously filed with the Trustee under the provisions of the Indenture or reimbursed to the Company from Bond proceeds.

4. All necessary permits and approvals required for the portion of the work on the 2023 Project for which this withdrawal is to be made have been issued and are in full force and effect.

5. There has not been filed with or served upon the Company any notice of any lien, right to a lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this Disbursement Request, except to the extent any such lien is being contested in accordance with the provisions of the Mortgage and Loan Agreement dated as of April 1, 2007, between the Authority and the Company, as supplemented by the First Supplemental Mortgage Loan Agreement, dated as of August 1, 2012, as further supplemented by the Second Mortgage and Loan Agreement, dated as of [November] 1, 2023 (collectively, the "Loan Agreement"), the 2012 Mortgages or the 2023 Mortgage.

6. The representations and warranties of the Company in the Loan Agreement are true and correct as of the date hereof and no Event of Default under the Indenture or the Loan Agreement or event which after notice or lapse of time or both would constitute an Event of Default under the Indenture or the Loan Agreement has occurred and not been waived or cured.

7. An invoice or other appropriate evidence of the obligation described in the requisition above is attached including the nature of each item for which payment or reimbursement is proposed.

8. Each item referred to in paragraph 7 and listed in the Exhibit attached hereto is reasonable and necessary in connection with the acquisition, improvement and equipping of the 2023 Project, and in all cases is a proper Cost of the 2023 Project and a proper charge against the Series 2023A Subaccount of the Project Fund and upon payment or reimbursement of the amounts requested in this Disbursement Request, the amount remaining in the Series 2023A Subaccount of the Project Fund will be sufficient to pay any portion of the Cost of the 2023 Project relating to the acquisition, improving and equipping of the Facilities now unpaid.

[Signature page follows]

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

_____

Name: Ken Haiko
Title: Chairman

Exhibit A
TO REQUISITION

Payee	Amount	Description of Services

EXHIBIT E
BONDS DEBT SERVICE ALLOCATION BY SCHOOL FACILITY

See attached.

EXHIBIT D

FORM OF SECOND SUPPLEMENTAL INDENTURE OF TRUST

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

And

REGIONS BANK, as Trustee

SECOND SUPPLEMENTAL INDENTURE OF TRUST

dated as of [November 1], 2023

Supplementing the

INDENTURE OF TRUST

Dated as of April 1, 2007

$[_____]
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Project)
Series 2023A

$[_____]
Lee County Industrial Development Authority
Taxable Industrial Development Revenue Bonds
(Lee County Community Charter Schools, LLC Project)
Series 2023B

TABLE OF CONTENTS

ARTICLE VI
FOREBEARANCE

ARTICLE VII
MISCELLANEOUS

THIS SECOND SUPPLEMENTAL INDENTURE OF TRUST, dated as of the 1st day of [November], 2023 (this "Second Supplemental Indenture"), supplements the Indenture of Trust dated as of April 1, 2007, (the "Original Indenture"), as supplemented by that certain First Supplemental Indenture of Trust dated as of August 1, 2012 (the "First Supplemental Indenture" and together with the Original Indenture, the "Supplemented Indenture"), by and between the LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida, (the "Authority") and REGIONS BANK, having a corporate trust office in Little Rock, Arkansas, duly organized and existing under the laws of the State of Alabama, as Trustee (the "Trustee"), being authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the State of Florida.

RECITALS

WHEREAS, pursuant to and in accordance with the Original Indenture, the Authority issued its $80,520,000 aggregate principal amount of Industrial Development Revenue Bonds, (Lee County Community Charter Schools, LLC Project), Series 2007A, $[_____] of which are presently outstanding (the "Series 2007A Bonds") and Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2007B, none of which are presently outstanding (the "Series 2007B Bonds" and together with the Series 2007A Bonds, the "Series 2007 Bonds"), for the principal purpose of providing funds to Lee County Community Charter Schools, LLC, a limited liability company duly organized and existing under the laws of the State of Florida (the "Company") to finance all or part of the acquisition and construction of certain charter school facilities and the land on which such facilities are located (the "2007 Sites") and improvements thereto (collectively, the "2007 Project"), which 2007 Project was leased by the Company to the Southwest Charter Foundation, Inc., formerly known as The Lee Charter Foundation, Inc., a Florida not-for-profit corporation and sole member of the Company (the "Foundation") in accordance with the terms of the Leases (as defined in the Original Indenture) and operated by the Foundation as charter school facilities; and

WHEREAS, in connection with the issuance of the Series 2007 Bonds, the Authority and the Company executed and delivered a Mortgage and Loan Agreement, dated as of April 1, 2007 (the "Original Loan Agreement"), pursuant to which the Authority loaned the proceeds of the Series 2007 Bonds to the Company in order to finance the costs of the 2007 Project, fund certain reserves and pay costs associated with the issuance of the Series 2007 Bonds. Pursuant to Section 3.1 of the Original Loan Agreement, the Company granted a mortgage and security interest in the 2007 Sites, the 2007 Project and the Pledged Revenues to the Authority to secure the Company's obligations under the Original Loan Agreement, including, without limitation, the payment in full of the Series 2007 Bonds, which mortgage and security interest was assigned by the Authority to the Trustee as security for the payment of the principal of, premium, if any, and interest on the Series 2007 Bonds and all other amounts due or to become due under the Original Indenture, as supplemented and amended; and

WHEREAS, pursuant to and in accordance with the First Supplemental Indenture, the Authority issued its $20,685,00 aggregate principal amount of Industrial Development Revenue Bonds, (Lee County Community Charter Schools, LLC Project), Series 2012A, $[_____] of which are presently outstanding (the "Series 2012A Bonds") and Taxable Industrial Development

Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2012B, none of which are presently outstanding (the "Series 2012B Bonds" and together with the Series 2012A Bonds, the "Series 2012 Bonds"), for the principal purpose of providing funds to the Company to finance or refinance all or part of the acquisition (or obtaining a long term leasehold interest in), construction and equipping of a certain charter school facility and the land on which the facility is located and an expansion site adjacent to a portion of the 2007 Project (the "2012 Sites") and improvements thereto (collectively, the "2012 Project"), which 2012 Project was titled in the name of Red Apple at Manatee, LLC and Red Apple at Gateway EXP, LLC and leased to the Foundation in accordance with the terms of the 2012 Project and Site Leases (as defined in the First Supplemental Indenture) and operated by the Foundation as charter school facilities; and

WHEREAS, in connection with the issuance of the Series 2012 Bonds, the Authority and the Company executed and delivered a First Supplemental Mortgage and Loan Agreement, dated as of August 1, 2012 (the "First Supplemental Loan Agreement"), pursuant to which the Authority loaned the proceeds of the Series 2012 Bonds to the Company in order to finance the costs of the 2012 Project, fund certain reserves and pay costs associated with the issuance of the Series 2012 Bonds. Pursuant Section 6 of the First Supplemental Loan Agreement, the Company granted a mortgage and security interest in the 2012 Sites, the 2012 Project and the Pledged Revenues to the Authority to secure the Company's obligations under the First Supplemental Loan Agreement, including, without limitation, the payment in full of the Series 2012 Bonds, which mortgage and security interest was assigned by the Authority to the Trustee as security for the payment of the principal of, premium, if any, and interest on the Series 2012 Bonds and all other amounts due or to become due under the Supplemented Indenture, as supplemented and amended; and

WHEREAS, the Company has requested the Authority to issued two new Series of revenue bonds and loan the proceeds thereof to the Company to be used, together with other legally available moneys, for the purposes of (i) financing, refinancing and reimbursing the Company for the cost of various capital improvements, equipment and expansions related to its existing educational and ancillary facilities located at (a) Gateway Charter School, 12850 Commonwealth Drive, Fort Myers, Florida 33913, (b) Gateway Charter High School and Gateway Intermediate Charter School, 12770 Gateway Boulevard, Fort Myers, Florida 33913, (c) Six Mile Charter Academy, 6851 Lancer Avenue, Fort Myers, Florida 33912, and (d) Mid Cape Global Academy (f/k/a Cape Coral Charter School), 76 Mid Cape Terrace, Cape Coral, Florida 33911 (collectively, the "2023 Project Facilities"), and (ii) paying the costs and fund necessary reserves associated with the issuance of the Series 2023 Bonds (collectively, the "2023 Project"); and

WHEREAS, the most efficient and desirable way of financing the costs of the 2023 Project is to issue the Authority's Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A in the aggregate principal amount of $[_____] (the "Series 2023A Bonds") and Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B in the aggregate principal amount of $[_____] (the "Series 2023B Bonds" in and together with the Series 2023A Bonds, the "Series 2023 Bonds") in accordance with that certain Second Supplemental Loan Agreement, dated as of [November] 1, 2023, between the Authority and the Company; and

WHEREAS, Section 2.3(b) of the Original Indenture authorizes the Authority to issue Additional Bonds (defined in the Original Indenture) under the conditions set forth therein; and

WHEREAS, in connection with the issuance of the Series 2023 Bonds, it is necessary to supplement the Supplemented Indenture in certain respects to provide for the issuance of the Series 2023 Bonds, the application of the proceeds thereof and the modification of certain provisions thereof as they relate to the Series 2023 Bonds and the Series 2023 Project; and

WHEREAS, the Authority and the Trustee are authorized to execute and deliver this Second Supplemental Indenture and to observe and perform all of the covenants, agreements and obligations on their part to be observed and performed hereunder.

NOW THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

In consideration of the premises and of the acceptance by the Trustee of the trust hereby created, and of the purchase and acceptance of the Series 2023 Bonds by the holders thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and for the purpose of declaring the terms and conditions upon which the Series 2023 Bonds are to be issued, authenticated, delivered, secured and accepted by persons who shall, from time to time, be or become holders thereof, and in order to secure the payment of the Series 2023 Bonds issued and outstanding hereunder, and the interest thereon, according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Authority and Trustee hereby agree as follows:

ARTICLE I
FACTUAL RECITALS

The Authority hereby finds, determines, and declares that:

(a) All capitalized terms used herein unless otherwise defined have the same meaning as ascribed to those terms in Article II of this Second Supplemental Indenture, or if not defined herein, as defined in the Supplemented Indenture.

(b) The provisions of the laws of the State of Florida including, without limitation Chapter 159, Parts II, III, AND VII, Florida Statutes, or any successor statute(s) and other applicable provisions of the law (the "Act") authorize the Authority to finance, refinance and/or reimburse the Series 2023 Project.

(c) The financing, refinancing and/or reimbursing of the Series 2023 Project is a lawful corporate purpose of the Authority, and is authorized by the Act and the Original Indenture.

(d) For the purpose of providing funds to finance, refinance and/or reimburse the Series 2023 Project, the Authority by Resolution No. [___] has duly authorized and does hereby duly authorize the issuance of the Series 2023 Bonds. The Series 2023 Bonds shall be secured by a pledge of the Pledged Revenues received by the Authority on parity with the Series 2007 Bonds, the Series 2012 Bonds and any Additional Bonds, and as otherwise expressly provided herein.

ARTICLE II
DEFINITIONS

SECTION 2.01 DEFINITIONS; MODIFICATIONS OF CERTAIN DEFINITIONS CONTAINED IN THE SUPPLEMENTED INDENTURE. (a) Except as otherwise defined herein, words and terms which are defined in the Supplemented Indenture shall have the same meanings ascribed to them when used herein unless the context or use indicates a different meaning or intent. In addition to the words and terms elsewhere defined in this Second Supplemental Indenture, the following words and terms as used herein shall have the following meanings unless the context or use indicates another or different meaning or intent:

"**2023 Assignment**" means the Assignment of Mortgage, dated as of [November] 1, 2023, from the Authority to the Trustee.

"**2023 Project**" means the acquisition, construction and installation of various capital improvements, equipment and expansions related to the Company's existing educational and ancillary facilities located as more particularly described in Exhibit B to the Second Supplemental Loan Agreement.

"**2023 Sites**" means the real property identified in Exhibit A to the Second Supplemental Indenture.

"**Debt Service Reserve Fund Requirement**" means, with respect to the Series 2023 Bonds, $[_____].

"**First Supplemental Indenture**" means that certain First Supplemental Indenture of Trust, dated as of August 1, 2012, between the Authority and the Trustee.

"**First Supplemental Loan Agreement**" means that certain First Supplemental Mortgage and Loan Agreement, dated as of August 1, 2012, between the Authority and the Company.

"**Indenture**" means the Original Indenture, as amended and supplemented by the First Supplemental Indenture, as further amended and supplemented by this Second Supplemental Indenture.

"**Interest Payment Date**" means, for the Series 2023 Bonds, June 15 and December 15 of each year, commencing on December 15, 2023.

"**Issuer's Bond Counsel**" means the law firm of Nabors, Giblin & Nickerson, Tampa, Florida.

"**Loan Agreement**" means the Original Loan Agreement, as amended and supplemented by the First Supplemental Loan Agreement, as further amended and supplemented by that Second Supplemental Loan Agreement.

"**Original Indenture**" means the Indenture of Trust dated as of April 1, 2007, by and between the Authority and the Trustee.

"**Original Loan Agreement**" means the Mortgage and Loan Agreement dated as of April 1, 2007, by and between the Authority and the Company.

"**Second Supplemental Indenture**" means this Second Supplemental Indenture of Trust, dated as of [November] 1, 2023, between the Authority and the Trustee.

"**Second Supplemental Loan Agreement**" means that certain Second Supplemental Mortgage and Loan Agreement, dated as of [November] 1, 2023, between the Authority and the Company.

"**Series 2023 Bonds**" means, collectively, the Series 2023A Bonds and the Series 2023B Bonds.

"**Series 2023 Continuing Disclosure Agreement**" means the Continuing Disclosure Agreement by and among the Company, the Foundation, and Digital Assurance Certification, LLC, as dissemination agent, dated as of [November] 1, 2023.

"**Series 2023 Cost of Issuance Fund**" means the Series 2023 Cost of Issuance Fund created pursuant to Section 3.03 hereof.

"**Series 2023 Loan**" means the Loan of proceeds of the Series 2023 Bonds by the Authority to the Company as described herein.

"**Series 2023 Mandatory Sinking Fund Redemption Dates**" means the dates specified in Section 4.03 hereof.

"**Series 2023A Bonds**" means the Authority's Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A dated the date of delivery, to be issued under the Indenture in accordance with the terms hereof and thereof in the aggregate principal amount of $[_____].

"**Series 2023A Subaccount of the Bond Interest Fund**" means the Series 2023A Subaccount of the Bond Interest Fund created pursuant to Section 3.03 hereof.

"**Series 2023A Subaccount of the Bond Principal Fund**" means the Series 2023A Subaccount of the Bond Principal Fund created pursuant to Section 3.03 hereof.

"**Series 2023A Subaccount of Debt Service Reserve Fund**" means the Series 2023A Subaccount of the Debt Service Reserve Fund created pursuant to Section 3.03 hereof.

"**Series 2023B Bonds**" means the Authority's Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B dated the date of delivery, to be issued under the Indenture in accordance with the terms hereof and thereof in the aggregate principal amount of $[_____].

"**Series 2023B Subaccount of the Bond Interest Fund**" means the Series 2023B Subaccount of the Bond Interest Fund created pursuant to Section 3.03 hereof.

"**Series 2023B Subaccount of the Bond Principal Fund**" means the Series 2023B Subaccount of the Bond Principal Fund created pursuant to Section 3.03 hereof.

"**Series 2023B Subaccount of Debt Service Reserve Fund**" means the Series 2023B Subaccount of the Debt Service Reserve Fund created pursuant to Section 3.03 hereof.

"**Special Bond Counsel to Borrower**" means the law firm of Watson Sloane PLLC, Tampa, Florida.

"**Underwriter**" means Herbert J. Sims & Co., Inc., as underwriter for the Series 2023 Bonds.

(b) The following terms contained in the Original Indenture and the First Supplemental Indenture are hereby modified in connection with the issuance of the Series 2023 Bonds, the acquisition, construction and installation of the 2023 Project and the execution and delivery of the 2023 Mortgage and the 2023 Assignment in accordance with Section 10.1 of the Original Indenture:

"**2012 Project and Sites Leases**" means, collectively, the (i) Lease Agreement dated as of August 1, 2012, by and between Red Apple at Manatee, LLC, as landlord, and the Company, as tenant, and (ii) Lease Agreement, dated as of August 1, 2012, by and between Red Apple at Gateway EXP, LLC, as landlord, and the Company, as tenant, as amended by that certain First Amendment to Lease Agreement dated as of [November] 1, 2023.

"**Assignment**" means, collectively, the (i) Assignment of Mortgage and Loan Agreement, dated as of April 1, 2007, from the Authority to the Trustee, (ii) the Assignment of Mortgages, dated as of August 1, 2012, from the Authority to the Trustee, and (iii) the 2023 Assignment.

"**Bond Counsel**" means, collectively, the Issuer's Bond Counsel and the Special Bond Counsel to the Borrower.

"**Bonds**" means, collectively, the Outstanding Series 2007 Bonds, the Outstanding Series 2012 Bonds, the Series 2023 Bonds, and any Additional Bonds Outstanding.

"**Lease**" means the Amended and Restated Lease Agreement dated as of August 1, 2012, by and between the Company, as landlord, and the Foundation, as tenant, as amended by that certain First Amendment to Amended and Restated Lease Agreement dated as of [November] 1, 2023.

"**Original Term**" means the portion of the Lease Term which terminates on [November 1, ____].

"**Sites**" means, collectively, the real property described as the Sites in the Loan Agreement and the real property subject to the 2012 Mortgages, less any real property released under the provisions of the Loan Agreement and the 2012 Mortgages.

SECTION 2.02 USE OF PHRASES. Words of the masculine gender used herein shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Series 2023 Bond," "Bondholder," "Holder," "registered owner," and "person" shall include the plural as well as the singular number, and the word person shall include corporations and associations, including public bodies, as well as persons. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to the First Supplemental Indenture and not solely to the particular portion thereof in which any such word is used. Any percentage of Series 2023 Bonds, specified herein for any purpose, is to be calculated on the unpaid Series 2023 Bonds then Outstanding.

ARTICLE III
FORM OF THE SERIES 2023 BONDS AND AUTHORIZATION OF THE SERIES 2023 BONDS; TRANSFER OF THE SERIES 2023 BONDS

SECTION 3.01 FORM OF THE SERIES 2023 BONDS. The Series 2023 Bonds shall be substantially in the respective forms set forth in EXHIBIT A with variations, omissions and insertions as are permitted or required by this Second Supplemental Indenture or deemed necessary by the Trustee. The Series 2023 Bonds shall be executed in the name and on behalf of the Authority, by the manual or facsimile signature, by at least two members of the Authority in their official capacities. Any Series 2023 Bond may be signed (manually or facsimile), sealed or attested on behalf of the Authority by any Person who, as the date of such act, shall hold the proper office, notwithstanding that at the date of authentication, issuance or delivery, such Person may have ceased to hold such office.

SECTION 3.02 AUTHORIZATION OF THE SERIES 2023 BONDS. (a) There is hereby created a Series of Additional Bonds to be issued under the Indenture to be known as "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A". The Series 2023A Bonds shall be issued in the aggregate principal amount of $[_____] and numbered from AR-1 and upward. The Series 2023A Bonds shall be issued for the purposes of (i) financing and refinancing of a portion of the costs of the 2023 Project, (ii) making a deposit into the Series 2023A Subaccount of the Debt Service Reserve Fund, and (iii) paying costs associated with the issuance of the Series 2023A Bonds. The Series 2023 Bonds shall bear interest from their dated date and shall be issuable as fully registered Bonds without coupons in Authorized Denominations of $100,000 and integral multiples of $5,000 above $100,000.

(b) There is hereby created a Series of Additional Bonds to be issued under the Indenture to be known as "Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B". The Series 2023B Bonds shall be issued in the aggregate principal amount of $[_____] and numbered from BR-1 and upward. The Series 2023B Bonds shall be issued for the purposes of (i) financing and refinancing of a portion of the costs of the 2023 Project, (ii) making a deposit

into the Series 2023B Subaccount of the Debt Service Reserve Fund, and (iii) paying costs associated with the issuance of the Series 2023 Bonds. The Series 2023 Bonds shall bear interest from their dated date and shall be issuable as fully registered Bonds without coupons in Authorized Denominations of $100,000 and integral multiples of $5,000 above $100,000.

(c) Each Series 2023 Bond shall be dated the date of delivery. Interest on the Series 2023 Bonds shall be payable on each June 15 and December 15 of each year (each an "Interest Payment Date"), commencing on December 15, 2023. The Series 2023 Bonds shall be payable in the manner provided in the Indenture.

(d) The Series 2023A Bonds shall bear interest at the respective rates and shall mature on June 15 of each of the years in the respective principal amounts set opposite each year in the following schedule:

Maturity Date	Principal Amount ($)	Interest Rate (%)
June 15, 20[__]		
June 15, 20[__]		
June 15, 20[__]		

(e) All of the Series 2023A Bonds are issued as Term Bonds. The Series 2023 Bonds shall be substantially in the form set forth in EXHIBIT A hereto.

(f) The Series 2023B Bonds shall mature on the date and shall bear interest at the rate in the following schedule:

Maturity Date	Principal Amount ($)	Interest Rate (%)
June 15, 20[__]		

(g) The Series 2023B Bonds shall be in substantially the form set forth in EXHIBIT A hereto.

(h) Interest on the Series 2023 Bonds shall be computed on the basis of a 360-day year composed of twelve 30-day months. Series 2023 Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been paid, or if no interest has been paid, from the date of the Series 2023 Bonds.

(i) The Series 2023 Bonds shall initially be registered to Cede & Co., the nominee for the Depository Trust Company ("DTC") and no beneficial owner will receive certificates representing its respective interest in the Series 2023 Bonds as provided in Section 2.3(c) of the Original Indenture.

Neither the Authority nor the Trustee shall have any responsibility or obligation to DTC Participants or the persons for whom they act as nominees with respect to the Series 2023 Bonds regarding the accuracy of any records maintained by DTC or DTC Participants, the payments by DTC or DTC Participants of any amount in respect of principal, redemption price or interest on the Series 2023 Bonds, any notice which is permitted or required to be given to or by Owners hereunder (except such notice as is required to be given by the Authority to the Trustee or to DTC), or any consent given or other action taken by DTC as Bondowner.

The Series 2023 Bonds are subject to prior redemption as set forth herein. The Series 2023 Bonds shall be substantially in the form and tenor herein recited with such appropriate variations, omissions and insertions as are permitted or required by this Second Supplemental Indenture.

SECTION 3.03 ESTABLISHMENT OF FUNDS AND SUBACCOUNTS. The Authority hereby establishes and creates the following Funds and Subaccounts for the Series 2023 Bonds, all of which shall be special trust funds and accounts held by the Trustee:

(a) Series 2023A Subaccount and Series 2023B Subaccount of the Project Fund;

(b) Series 2023A Subaccount and Series 2023B Subaccount of the Debt Service Reserve Fund;

(c) Series 2023 Cost of Issuance Fund;

(d) Series 2023A Subaccount and Series 2023B Subaccount of the Bond Principal Fund; and

(e) Series 2023A Subaccount and Series 2023B Subaccount of the Bond Interest Fund.

SECTION 3.04 ISSUANCE OF THE SERIES 2023 BONDS; APPLICATION OF SERIES 2023 BOND PROCEEDS; PAYMENTS ON THE SERIES 2023 BONDS; USE OF PROCEEDS OF THE SERIES 2023 BONDS IN THE PROJECT FUND; CREDITS AGAINST AMOUNTS ON DEPOSIT IN THE DEBT SERVICE RESERVE FUND. (a) The Series 2023 Bonds shall be issued upon delivery to the Trustee of the documents referred to in Section 2.3(b) of the Original Indenture and Sections 8.10 and 8.12 of the Original Loan Agreement, and the payment of the purchase price therefor by the Underwriter.

(b) Proceeds from the sale of the Series 2023A Bonds in the amount of $[_____] (par amount of $[_____], [plus/less] original issue [premium/discount] of $[_____] and less underwriter's discount of $[_____] shall be deposited as follows:

(1) An amount equal to $[_____] shall be deposited into the Series 2023 Cost of Issuance Fund;

(2) An amount equal to $[_____] shall be deposited into the Series 2023A Subaccount of the Project Fund; and

(3) An amount equal to $[_____] shall be deposited into the Series 2023A Subaccount of the Debt Service Reserve Fund.

Proceeds from the sale of the Series 2023B Bonds in the amount of $[_____] (par amount of $[_____], less underwriter's discount of $[_____] shall be deposited as follows:

(1) An amount equal to $[_____] shall be deposited into the Series 2023 Cost of Issuance Fund;

(2) An amount equal to $[_____] shall be deposited into the Series 2023B Subaccount of the Project Fund; and

(3) An amount equal to $[_____] shall be deposited into the Series 2023B Subaccount of the Debt Service Reserve Fund.

(c) Notwithstanding the provisions of Section 3.3(a) and 3.3(b) of the Original Indenture, the Trustee shall adjust the monthly deposits to the (i) Series 2023A Subaccount and the Series 2023B Subaccount of the Bond Fund and (ii) Bond Principal Fund during the period between the date of issuance of the Series 2023 Bonds and the first Interest Payment Date (December 15, 2023), so that there are sufficient amounts on deposit in such Subaccounts and Accounts to pay the interest due on the Series 2023 Bonds on such Interest Payment Date and in the Bond Principal Fund to pay principal on the Series 2023B Bonds on such Interest Payment Date.

(d) With respect to the application of the provisions of the third paragraph of Section 3.10 of the Original Indenture to the expenditure of the proceeds of the Series 2023 Bonds deposited into the Project Fund, the date and amounts referred to in clause (ii) of such paragraph shall be June 15, 2025 and $100,000, respectively.

(e) In accordance with the provisions of Section 3.8(b) of the Original Indenture, the Trustee is hereby directed to apply amounts on deposit in the Debt Service Reserve Fund securing a particular series of Bonds to the principal and interest payments due on such series of Bonds (and only such Bonds) on the final maturity date in lieu of applying Pledged Revenues for such purpose and the Company shall receive a credit for the application of such funds; provided, however, that amounts in the Debt Service Reserve Fund shall not be applied by the Trustee for such purpose if such amounts are needed to satisfy the Debt Service Reserve Requirement for any other series of Outstanding Bonds that are secured by such funds (but not with respect to any series of Bonds not secured by such funds).

SECTION 3.05 SERIES 2022 COST OF ISSUANCE FUND. The Company shall deposit to the Series 2023 Cost of Issuance Fund (a) $[_____] from proceeds of the Series 2023A Bonds and (b) $[_____] from proceeds of the Series 2023B Bonds. The Trustee shall transfer amounts from the Series 2023 Cost of Issuance Fund as directed by the Company. The Trustee shall keep and maintain adequate records pertaining to the Series 2023 Cost of Issuance Fund, and all payments therefrom, which shall be open to inspection by the Authority, the Company, the Registered Owners of the Series 2023 Bonds, the Beneficial Owners, or their duly authorized agents during normal business hours of the Trustee. If any funds remain in the Series 2023 Cost of Issuance Fund on the earlier of the receipt by the Trustee of a certificate of the Company stating

that all of the costs of issuance have been paid or six (6) months from the date of issuance and delivery of the respective series of Series 2023 Bonds, the Trustee shall transfer any funds remaining in the Series 2023 Cost of Issuance Fund to the Series 2023A Subaccount of the Project Fund and close the Series 2023 Cost of Issuance Fund.

SECTION 3.06 CUSTODY OF THE SERIES 2023 COST OF ISSUANCE FUND. The Series 2023 Cost of Issuance Fund shall be in the custody of the Trustee but in the name of the Authority, and the Authority authorizes and directs the Trustee, on the requisition of the Company Representative, to withdraw sufficient funds from the Series 2023 Cost of Issuance Fund to pay the costs incurred in connection with the authorization, issuance and sale of the Series 2023 Bonds, which authorization and direction the Trustee hereby accepts.

SECTION 3.07 USE OF MONIES IN THE BOND PRINCIPAL FUND AND THE BOND INTEREST FUND. Except as provided in this Section and in the Original Indenture, monies in the Bond Principal Fund shall be used solely for the payment of the principal of and premium, if any, on the Bonds, and monies in the Bond Interest Fund shall be used solely for payment of the interest on the Bonds. Monies in the Series 2023A Subaccounts of the Bond Principal Fund and the Bond Interest Fund shall be used solely for the payment of principal of and interest on the Series 2023A Bonds and monies in the Series 2023B Subaccounts of the Bond Principal Fund and the Bond Interest Fund shall be used solely for the payment of principal of and interest on the Series 2023B Bonds.

SECTION 3.08 PAYMENTS INTO THE DEBT SERVICE RESERVE FUND. There shall be deposited into the Series 2023A Subaccount of the Debt Service Reserve Fund $[_____] of proceeds of the Series 2023A Bonds. During the final year of maturity of the Series 2023A Bonds, the Trustee shall credit the Bond Principal Fund each month with 1/12 of the amount on deposit in the Series 2023A Subaccount of the Debt Service Reserve Fund.

The Debt Service Reserve Fund Requirement, as it relates to the Series 2023A Bonds, is $[_____]. The monies in the Series 2023A Subaccount of the Debt Service Reserve Fund secures only the Series 2023A Bonds. The Debt Service Reserve Fund Requirement, as it relates to the Series 2023B Bonds, is $[_____]. The monies in the Series 2023B Subaccount of the Debt Service Reserve Fund secures only the Series 2023B Bonds.

ARTICLE IV
REDEMPTION OF SERIES 2023 BONDS

SECTION 4.01 OPTIONAL REDEMPTION.

(a) Series 2023A Bonds. The Series 2023A Bonds shall be subject to Optional Redemption prior to maturity, [in whole or in part, on June 15, 20__], and on any date thereafter, at the redemption price equal to [100%] of the principal amount so redeemed, plus accrued interest to the redemption date.

(b) Series 2023B Bonds. The Series 2023B Bonds are not subject to Optional Redemption prior to maturity.

SECTION 4.02 EXTRAORDINARY MANDATORY REDEMPTION UPON OCCURRENCE OF CERTAIN EVENTS. The Series 2023 Bonds shall be subject to extraordinary mandatory and optional redemption, in accordance with the provisions of Sections 5.2 and 5.3 and, in the case of the Series 2023A Bonds, Section 5.4 of the Original Indenture.

SECTION 4.03 MANDATORY SINKING FUND REDEMPTION.

The Series 2023A Bonds maturing on June 15, 20[__], are subject to mandatory sinking fund redemption in part by lot, on [______] and on each June 15 and December 15 thereafter until and including June 15, 20[__], at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)
		*	

* Final Maturity

The Series 2023A Bonds maturing on June 15, 20[__], are subject to mandatory sinking fund redemption in part by lot, on [______] and on each June 15 and December 15 thereafter until and including June 15, 20[__], at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)
		*	

* Final Maturity

The Series 2023A Bonds maturing on June 15, 20[__], are subject to mandatory sinking fund redemption in part by lot, on [______] and on each June 15 and December 15 thereafter until and including June 15, 20[__], at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

*

* Final Maturity

The Series 2023B Bonds are subject to mandatory sinking fund redemption in part by lot, on June 15, 20[__] and on each December 15 and June 15 thereafter until and including June 15, 20[__], at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, from mandatory sinking fund payments which are required to be made as set forth below:

Payment Date	Principal Amount ($)	Payment Date	Principal Amount ($)

*

* Final Maturity

ARTICLE V
PARTICULAR COVENANTS

SECTION 5.01 INDENTURE APPLICABLE TO SERIES 2023 BONDS. The Series 2023 Bonds are issued in compliance with Section 10.1 of the Original Indenture as Additional Bonds having a lien on the Pledged Revenues ranking on parity with the lien of the Outstanding Series 2007 Bonds and the Outstanding Series 2012 Bonds. Except with respect to the separate Funds and Subaccounts established herein for the Series 2023 Bonds, the Series 2023 Bonds shall be entitled to the same benefit and security of the Indenture as the Outstanding Series 2007 Bonds and the Outstanding Series 2012 Bonds, and all of the provisions of the Indenture, except to the inconsistent with the provisions of this Second Supplemental Indenture, are hereby made a part of this Second Supplemental Indenture as fully and to the same extent as if such provisions were incorporated verbatim herein.

SECTION 5.02 CONSENT OF THE COMPANY AND FOUNDATION. The Company and the Foundation have consented to this Second Supplemental Indenture. A copy of such consent is attached hereto as EXHIBIT B.

ARTICLE VI
FORBEARANCE

SECTION 6.01 FORBEARANCE WITH RESPECT TO REPAIR AND REPLACEMENT RESERVE FUND REQUIREMENT.

(a) The Company covenants and agrees, and represents and warrants to the Series 2023 Bondholders that during the term of the Loan Agreement (the "Forbearance Period"), on a biennial basis as hereinafter described, the Company shall cause to be delivered to the Trustee, at the Company's sole cost and expense, an engineering audit (the "Engineering Audit") prepared by a qualified engineering consulting firm (the "Engineering Consultant") reasonably acceptable to the Trustee. The first such Engineering Audit shall be delivered to the Trustee by the Company on or before December 31, [2024], with subsequent Engineering Audits required to be delivered to the Trustee every two years thereafter, on or before December 31st of the applicable year. Each such report shall, at a minimum, contain the scope of work set forth in EXHIBIT D attached hereto and made a part hereof and such other components as the Trustee may from time to time reasonably require, and shall set forth the level to which the Engineering Consultant recommends the Repair and Replacement Reserve Fund be funded (the "Recommended Requirement"). In the event that amounts available in the Repair and Replacement Reserve Fund on December 31st of each year in which an Engineering Audit is required to be delivered are less than the Recommended Requirement set forth in the applicable Engineering Audit, then in lieu of the deposits required to be made under Section 3.3(e) of the Indenture, the Trustee shall make equal monthly deposits to the Repair and Replacement Fund on the last day of each calendar month for the next six months sufficient to fund the Repair and Replacement Reserve Fund to the Recommended Requirement by the next succeeding July 1st.

(b) Notwithstanding any provision herein to the contrary, the Forbearance Period shall automatically terminate, without the need for notice to the Company or any other action by the Trustee or the Series 2023 Bondholders, upon the occurrence of any one of the following (each of which shall be a "Forbearance Termination Event"):

(1) The occurrence of any Default of Event of Default, or any event which with the passage of time or giving of notice or both would constitute a Default of Event of Default under the Indenture, the Loan Agreement, the Assignment, the Lease or the 2012 Mortgages (collectively, the "Bond Documents");

(2) Failure by the Company to deliver any Engineering Audit, or to cause the Repair and Replacement Reserve Fund to be funded, in each case as and to the extent required by Section 6.01(a) hereof;

(3) If the Company asserts the existence of any defense, set-off, reduction, claim or counterclaim, whether at law or in equity, with respect to the indebtedness of other obligations evidenced and/or secured by any of the Bond Documents; or

(4) During its term, the occurrence of a "Forbearance Termination Event" as defined in that certain Forbearance Agreement, dated as of November 1, 2010, by and among the Company and the majority of the Series 2007 Bondholders.

(c) The occurrence of a Forbearance Termination Event shall constitute an immediate Event of Default under the Indenture and the Loan Agreement. In such event, the forbearance provided for under Section 6.01(a) shall immediately and automatically terminate without any

notice to the Company, and the Trustee shall have available to it all remedies available under the Forbearance Agreement or any of the Bond Documents, including without limitation acceleration of the Bonds or foreclosure under the Loan Agreement and the 2012 Mortgages.

(d) Notwithstanding any provision of the Bond Documents to the contrary, during the Forbearance Period, the Trustee shall fund the Repair and Replacement Reserve Fund in accordance with Section 6.01(a) hereof, rather than as specified in Section 3.3(e) of the Indenture. Upon the occurrence of a Forbearance Termination Event, the requirements of Section 3.3(e) of the Indenture shall apply again.

(e) During the Forbearance Period, the Trustee shall forbear from the exercise of remedies under the Bond Documents arising by reason of the failure of the Repair and Replacement Reserve Fund to be funded to the Repair and Replacement Reserve Fund Requirement set forth in Section 3.3(e) of the Indenture. The foregoing is in no way intended to limit any rights or remedies the Trustee may have with respect to any other "Default" or "Event of Default" hereafter arising. Upon the termination of the Forbearance Period, all forbearances, deferrals and indulgences granted by the Trustee shall automatically terminate.

(f) For clarity, the Engineering Audit as herein described may combined with the Engineering Audit as defined in Section 10 of the First Supplemental Indenture, and provided to the Trustee as one singular audit, prepared by the same Engineering Consultant, so long as such audit meets the requirements contained herein and therein.

ARTICLE VII
MISCELLANEOUS

SECTION 7.01 BINDING EFFECT. This Second Supplemental Indenture shall inure to the benefit of and shall be binding upon the Authority and the Trustee and their successors and assigns, subject, however, to the limitations contained herein.

SECTION 7.02 REFERENCES TO LOAN AND PROJECT. Any and all references in the Supplemented Indenture to "Loan" shall specifically include the Series 2023 Loan, as described in this Second Supplemental Indenture and in the Second Supplemental Loan Agreement. Any and all references to Project shall specifically include the 2023 Project, as described in the Second Supplemental Loan Agreement.

SECTION 7.03 SEVERABILITY. In the event any provision of this First Supplemental Indenture shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 7.04 EXECUTION IN COUNTERPARTS. This First Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 7.05 GOVERNING LAW. The First Supplemental Indenture shall be governed by the laws of the State of Florida without regard to conflict of laws principals.

SECTION 7.06 TITLES, HEADINGS, ETC. The titles and headings of the articles, sections and subsections of this First Supplemental Indenture have been inserted for the convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 7.07 NOTICES. The notice address for the Authority and the Underwriter is as follows:

To the Authority:

Lee County Industrial Development Authority
c/o Knott Ebelini Hart
1625 Hendry Street, Suite 301
Fort Myers, Florida 33901
Attention: Thomas B. Hart
Telephone: (239) 334-2722
Email: thart@knott-law.com

To the Underwriter:

Herbert J. Sims & Co., Inc.
2150 Post Rd #301
Fairfield, Connecticut 06824
Attention: Richard F. Harmon
Telephone: 614-506-1976
Email: rharmon@hjsims.com

[Signature pages to follow]

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Second Supplemental Indenture to be executed in their respective corporate names and attested by their duly authorized Officers, all as of the date first above written.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By:_____
Chairman

Attest:

By:_____
Secretary

REGIONS BANK, as Trustee

By:_____
Valerie Cheek, Assistant Vice President

EXHIBIT A
FORM OF BONDS

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Authority or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the Registered Owner hereof, Cede & Co., has an interest herein.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENE BONDS
(LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC PROJECTS),
SERIES 2023A

No. AR-__ $_____

Interest Rate	Maturity Date	Original Issue Date	CUSIP
%	_____		

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT:_____AND 00/100 DOLLARS

THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, FLORIDA, a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida (the "Authority"), for value received, hereby promises to pay, from the sources hereinafter described, the Principal Amount stated above, in lawful money of the United States of America, to the Registered Owner stated above or the registered assigns, on the Maturity Date stated above (unless this Bond shall have been called for prior redemption, in which case on such redemption date), upon the presentation and surrender hereof at the designated corporate trust office of Regions Bank, as Trustee (the "Trustee"), in Little Rock, Arkansas, or at the principal office of its successor in trust under an Indenture of Trust dated as of April 1, 2007, as supplemented by a First Supplemental Indenture of Trust, dated as of August 1, 2012, as further supplemented by a Second Supplemental Indenture of Trust dated as of [November] 1, 2023 (collectively, the "Indenture"), between the Authority and the Trustee, and to pay, from like sources, to the Registered Owner stated above as of the first day of the calendar month in which the Interest Payment Date occurs (the "Regular Record Date"), by check or draft mailed by the Trustee on the Interest Payment Date to such Registered Owner at his address as it last appears on the registration books kept for that purpose at the office of the Trustee, interest on said sum in like coin or currency from the Original Issue Date stated above or from the most recent date from which interest has been paid or duly provided for, at the Interest Rate stated above, payable semiannually on June 15 and December 15 of each year, commencing December 15, 2023, on the basis of a 360-day year composed of twelve 30-day months, until payment of the principal hereof has been made or provided for. The Trustee may

make payments of principal at maturity or upon redemption and payment of interest by wire transfer within the United States to any owner of at least $1,000,000 in aggregate principal amount of the Bonds requesting the same in writing addressed to the Trustee as provided in the Indenture. Any interest not timely paid or duly provided for shall cease to be payable to the Registered Owner hereof at the close of business on the applicable Regular Record Date and shall be payable to the Registered Owner hereof at the close of business on a Special Record Date (as defined in the Indenture) for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever monies become available for payment of the defaulted interest and notice of such Special Record Date shall be given to the Registered Owner hereof not less than ten days prior thereto. If the date for making any payment or the last day for performance of any act or the exercise of any right, as provided in this Bond, shall not be a "Business Day" as defined in the Indenture, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Bond. Notwithstanding anything herein to the contrary, when this Bond is registered in the name of a Depository (as defined in the Indenture) or its nominee, the principal and redemption price of and interest on this Bond shall be payable in same day or federal funds delivered or transmitted to the Depository or its nominee.

This Bond is one of a duly authorized series of bonds of the Authority designated as "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A", in the aggregate principal amount of $[_____] (the "Series 2023A Bonds"), issued at substantially the same time as the Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B, in the aggregate principal amount of $[_____] (the "Series 2023B Bonds" and together with the Series 2023A Bonds, the "Bonds"). The Bonds have been issued under the provisions of Parts II, III and VII of Chapter 159, Florida Statutes, as amended and supplemented, or any successor statute and other applicable provisions of law (the "Act"), to finance and refinance the costs of acquiring, improving and equipping certain charter school facilities (the "2023 Project"); to fund a reserve fund with respect to the Bonds; and to fund certain costs of issuing the Bonds.

This Bond is a limited, special obligation of the Authority payable solely from and secured by (a) a pledge of certain rights of the Authority under and pursuant to the Mortgage and Loan Agreement dated as of April 1, 2007 as supplemented by the First Supplemental Mortgage and Loan Agreement dated as of August 1, 2012, as further supplemented by the Second Supplemental Mortgage and Loan Agreement, dated as of [November] 1, 2023 (collectively, the "Loan Agreement"), between (i) the Authority, and (ii) the Lee County Community Charter Schools, LLC, a Florida limited liability company (the "Company"); (b) a pledge of the Funds and Pledged Revenues other than the Rebate Fund (all as defined in the Indenture); and (c) an assignment of the mortgages on the Project (including personal property and equipment) and of the Authority's security interest in the Pledged Revenues (as defined in the Indenture) of the Company.

This Bond shall not constitute or become a general indebtedness, a debt or a liability of or a charge against the general credit or taxing power of the State of Florida, or any subdivision of the State of Florida or of any other political subdivision or body corporate and politic within the State of Florida but shall be a special, limited obligation of the Authority to the extent of the revenues pledged in the Indenture, and neither the State of Florida, or any subdivision of the State of Florida, except the Authority to the extent provided above, shall be liable hereon; nor shall this Bond constitute the

giving, pledging, or loaning of the faith and credit of the State of Florida, or any subdivision of the State of Florida or of any other political subdivision or body corporate and politic within the State of Florida, but shall be payable solely from the funds pledged therefor under the Indenture. The Bonds and the interest thereon do not constitute an indebtedness of the Authority within the meaning of any constitutional or statutory limitation. The Authority has no taxing power.

Reference is hereby made to the Indenture and the Loan Agreement for a description of the revenues pledged, the nature and extent of the security, the rights, duties and obligations of the Authority, the Trustee and the Registered Owners and Beneficial Owners of the Bonds and the terms and conditions upon which the Bonds are, and are to be, secured, and a statement of the rights, duties, immunities and obligations of the Authority and the Trustee.

The Bonds shall be subject to optional and mandatory (including mandatory sinking fund) redemption on the dates and at the times set forth in the Indenture.

The Bonds are issuable only as fully registered bonds in Authorized Denominations. The Bonds shall be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), to be held in a book entry system and: (a) such Bonds shall be registered in the name of the DTC or its nominee, as Bondholder, and immobilized in the custody of DTC; (b) unless otherwise requested by DTC, there shall be a single Bond certificate for each maturity of each series; and (c) such Bonds shall not be transferable or exchangeable, except for transfer to another depository or another nominee of a depository, without further action by the Authority. The owners of beneficial interest in the Bonds shall not have any right to receive Bonds in the form of physical certificates. If any depository determines not to continue to act as a depository for the Bonds for use in a book entry system, the Authority may attempt to have established a securities depository/book entry system relationship with another qualified depository under the Indenture. If the Authority does not or is unable to do so, the Authority and the Trustee, after the Trustee has made provision for notification to the owners of book entry interests by the then depository, shall permit withdrawal of the Bonds from the depository, and authenticate and deliver Bond certificates in fully registered form (in Authorized Denominations) to the assignees of the depository or its nominee.

While a depository is the sole holder of the Bonds, delivery or notation of partial redemption of Bonds shall be affected in accordance with the provisions of the Letter of Representations, as defined in the Indenture.

In addition to the words and terms defined elsewhere in this Bond, the following terms shall have the following meanings:

"Beneficial Owner" means, with respect to the Bonds, a person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee. Such evidence may include a letter or letters from the Direct Participants and Indirect Participants, as applicable, attesting to the Beneficial Ownership Interest of such Beneficial Owner.

"Beneficial Ownership Interest" means the beneficial right to receive payments and notices with respect to the Bonds which are held by a Depository under a book entry system.

"Book entry form" or "book entry system" means, with respect to the Bonds, a form or system, as applicable, under which (a) the Beneficial Ownership Interests may be transferred only through a book entry and (b) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as holder, with the physical Bond certificates "immobilized" in the custody of the Depository. The book entry system maintained by and the responsibility of the Depository (and not maintained by or the responsibility of the Authority or the Trustee) is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Bonds.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of book entry interests in Bonds, and to effect transfers of book entry interests in Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company).

"Direct Participant" means a participant in the securities depository system maintained by The Depository Trust Company.

"Indirect Participant" means a Person utilizing the book entry system of the Depository by, directly or indirectly, clearing through or maintaining a custodial relationship with a Direct Participant.

All capitalized terms not defined in this Bond shall have the meanings given in the Indenture.

NONE OF THE AUTHORITY, THE COMPANY, OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (a) THE BONDS; (b) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (c) THE TIMELY OR ULTIMATE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (d) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO REGISTERED OWNERS; (e) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (f) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER.

Except for the 15 days next preceding the mailing of notice of redemption of the Bonds (and, if this Bond or portion thereof is called, the period following the giving of such notice), this Bond is fully transferable by the Registered Owner hereof in person or by his duly authorized attorney on the registration books kept at the principal office of the Trustee upon surrender of this Bond, together with a duly executed written instrument of transfer satisfactory to the Trustee. Upon such transfer, a new fully registered bond or bonds of authorized denomination or denominations for the same aggregate principal amount, series, and maturity will be issued to the transferee in exchange therefor, all upon payment of the charges and subject to the terms and conditions set forth in the Indenture.

The Authority and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond shall be overdue, for the purpose of receiving payment (except as provided above with respect to Regular and Special Record Dates) and for all other purposes, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, then from the Original Issue Date.

To the extent permitted by, and as provided in the Indenture, modifications or amendments of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Authority and of the owners of all Outstanding Bonds and any Additional Bonds may be made with the consent of the Authority and, in certain instances, with the consent of the owners or Beneficial Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding and any Additional Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds which are unconditional, unless consented to by 66 2/3% Bondholders of such percentage affected thereby. Any such consent by the owner or Beneficial Owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

The owner or Beneficial Owner of this Bond shall have no right to enforce the provisions of the Indenture, the provisions of which are incorporated herein by this reference, or to institute action to enforce the pledge, assignment or covenants made therein or to take any action with respect to an Event of Default under the Indenture or to institute, appear in or defend any suit, action or other proceeding at law or in equity with respect thereto, except as provided in the Indenture. In case an Event of Default under the Indenture shall occur, the principal of all the Bonds at any such time Outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be rescinded and annulled by the Trustee under certain circumstances.

Neither the Chairman nor other Authorized Signatory of the Authority, nor any person executing the Bonds, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Act or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed

This Bond shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose until the Trustee shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, **THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chairman.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By:_____
Chairman

Attest:

By:_____
Name: _____
Title: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____the undersigned, hereby sells, assigns and transfers unto:

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

_____

TAX IDENTIFICATION OR SOCIAL SECURITY NO.

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2023A Bonds described in the within mentioned Second Supplemental Indenture of Trust.

REGIONS BANK, as Trustee

By:_____
Authorized Officer

Date of Authentication:
November __, 2023

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Authority or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the Registered Owner hereof, Cede & Co., has an interest herein.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
TAXABLE INDUSTRIAL DEVELOPMENT REVENE BONDS
(LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC PROJECTS),
SERIES 2023B

No. BR-__ $_____

Interest Rate	Maturity Date	Original Issue Date	CUSIP
%	_____		

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT:_____AND 00/100 DOLLARS

THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, FLORIDA, a public body corporate and politic, a public instrumentality and a local agency organized and existing under the laws of the State of Florida (the "Authority"), for value received, hereby promises to pay, from the sources hereinafter described, the Principal Amount stated above, in lawful money of the United States of America, to the Registered Owner stated above or the registered assigns, on the Maturity Date stated above (unless this Bond shall have been called for prior redemption, in which case on such redemption date), upon the presentation and surrender hereof at the designated corporate trust office of Regions Bank, as Trustee (the "Trustee"), in Little Rock, Arkansas, or at the principal office of its successor in trust under an Indenture of Trust dated as of April 1, 2007, as supplemented by a First Supplemental Indenture of Trust, dated as of August 1, 2012, as further supplemented by a Second Supplemental Indenture of Trust dated as of [November] 1, 2023 (collectively, the "Indenture"), between the Authority and the Trustee, and to pay, from like sources, to the Registered Owner stated above as of the first day of the calendar month in which the Interest Payment Date occurs (the "Regular Record Date"), by check or draft mailed by the Trustee on the Interest Payment Date to such Registered Owner at his address as it last appears on the registration books kept for that purpose at the office of the Trustee, interest on said sum in like coin or currency from the Original Issue Date stated above or from the most recent date from which interest has been paid or duly provided for, at the Interest Rate stated above, payable semiannually on June 15 and December 15 of each year, commencing December 15, 2023, on the basis of a 360-day year composed of twelve 30-day months, until payment of the principal hereof has been made or provided for. The Trustee may make payments of principal at maturity or upon redemption and payment of interest by wire transfer within the United States to any owner of at least $1,000,000 in aggregate principal amount of the Bonds requesting the same in writing addressed to the Trustee as provided in the Indenture. Any

interest not timely paid or duly provided for shall cease to be payable to the Registered Owner hereof at the close of business on the applicable Regular Record Date and shall be payable to the Registered Owner hereof at the close of business on a Special Record Date (as defined in the Indenture) for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever monies become available for payment of the defaulted interest and notice of such Special Record Date shall be given to the Registered Owner hereof not less than ten days prior thereto. If the date for making any payment or the last day for performance of any act or the exercise of any right, as provided in this Bond, shall not be a "Business Day" as defined in the Indenture, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Bond. Notwithstanding anything herein to the contrary, when this Bond is registered in the name of a Depository (as defined in the Indenture) or its nominee, the principal and redemption price of and interest on this Bond shall be payable in same day or federal funds delivered or transmitted to the Depository or its nominee.

This Bond is one of a duly authorized series of bonds of the Authority designated as "Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023B", in the aggregate principal amount of $[_____] (the "Series 2023B Bonds"), issued at substantially the same time as the Lee County Industrial Development Authority Taxable Industrial Development Revenue Bonds (Lee County Community Charter Schools, LLC Projects), Series 2023A, in the aggregate principal amount of $[_____] (the "Series 2023A Bonds" and together with the Series 2023B Bonds, the "Bonds"). The Bonds have been issued under the provisions of Parts II, III and VII of Chapter 159, Florida Statutes, as amended and supplemented, or any successor statute and other applicable provisions of law (the "Act"), to finance and refinance the costs of acquiring, improving and equipping certain charter school facilities (the "2023 Project"); to fund a reserve fund with respect to the Bonds; and to fund certain costs of issuing the Bonds.

This Bond is a limited, special obligation of the Authority payable solely from and secured by (a) a pledge of certain rights of the Authority under and pursuant to the Mortgage and Loan Agreement dated as of April 1, 2007 as supplemented by the First Supplemental Mortgage and Loan Agreement dated as of August 1, 2012, as further supplemented by the Second Supplemental Mortgage and Loan Agreement, dated as of [November] 1, 2023 (collectively, the "Loan Agreement"), between (i) the Authority, and (ii) the Lee County Community Charter Schools, LLC, a Florida limited liability company (the "Company"); (b) a pledge of the Funds and Pledged Revenues other than the Rebate Fund (all as defined in the Indenture); and (c) an assignment of the mortgages on the Project (including personal property and equipment) and of the Authority's security interest in the Pledged Revenues (as defined in the Indenture) of the Company.

This Bond shall not constitute or become a general indebtedness, a debt or a liability of or a charge against the general credit or taxing power of the State of Florida, or any subdivision of the State of Florida or of any other political subdivision or body corporate and politic within the State of Florida but shall be a special, limited obligation of the Authority to the extent of the revenues pledged in the Indenture, and neither the State of Florida, or any subdivision of the State of Florida, except the Authority to the extent provided above, shall be liable hereon; nor shall this Bond constitute the giving, pledging, or loaning of the faith and credit of the State of Florida, or any subdivision of the State of Florida or of any other political subdivision or body corporate and politic within the State of Florida, but shall be payable solely from the funds pledged therefor under the Indenture. The Bonds

and the interest thereon do not constitute an indebtedness of the Authority within the meaning of any constitutional or statutory limitation. The Authority has no taxing power.

Reference is hereby made to the Indenture and the Loan Agreement for a description of the revenues pledged, the nature and extent of the security, the rights, duties and obligations of the Authority, the Trustee and the Registered Owners and Beneficial Owners of the Bonds and the terms and conditions upon which the Bonds are, and are to be, secured, and a statement of the rights, duties, immunities and obligations of the Authority and the Trustee.

The Bonds shall be subject to optional and mandatory (including mandatory sinking fund) redemption on the dates and at the times set forth in the Indenture.

The Bonds are issuable only as fully registered bonds in Authorized Denominations. The Bonds shall be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), to be held in a book entry system and: (a) such Bonds shall be registered in the name of the DTC or its nominee, as Bondholder, and immobilized in the custody of DTC; (b) unless otherwise requested by DTC, there shall be a single Bond certificate for each maturity of each series; and (c) such Bonds shall not be transferable or exchangeable, except for transfer to another depository or another nominee of a depository, without further action by the Authority. The owners of beneficial interest in the Bonds shall not have any right to receive Bonds in the form of physical certificates. If any depository determines not to continue to act as a depository for the Bonds for use in a book entry system, the Authority may attempt to have established a securities depository/book entry system relationship with another qualified depository under the Indenture. If the Authority does not or is unable to do so, the Authority and the Trustee, after the Trustee has made provision for notification to the owners of book entry interests by the then depository, shall permit withdrawal of the Bonds from the depository, and authenticate and deliver Bond certificates in fully registered form (in Authorized Denominations) to the assignees of the depository or its nominee.

While a depository is the sole holder of the Bonds, delivery or notation of partial redemption of Bonds shall be affected in accordance with the provisions of the Letter of Representations, as defined in the Indenture.

In addition to the words and terms defined elsewhere in this Bond, the following terms shall have the following meanings:

"Beneficial Owner" means, with respect to the Bonds, a person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee. Such evidence may include a letter or letters from the Direct Participants and Indirect Participants, as applicable, attesting to the Beneficial Ownership Interest of such Beneficial Owner.

"Beneficial Ownership Interest" means the beneficial right to receive payments and notices with respect to the Bonds which are held by a Depository under a book entry system.

"Book entry form" or "book entry system" means, with respect to the Bonds, a form or system, as applicable, under which (a) the Beneficial Ownership Interests may be transferred only through a book entry and (b) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as holder, with the physical Bond certificates "immobilized" in the

custody of the Depository. The book entry system maintained by and the responsibility of the Depository (and not maintained by or the responsibility of the Authority or the Trustee) is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Bonds.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of book entry interests in Bonds, and to effect transfers of book entry interests in Bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company).

"Direct Participant" means a participant in the securities depository system maintained by The Depository Trust Company.

"Indirect Participant" means a Person utilizing the book entry system of the Depository by, directly or indirectly, clearing through or maintaining a custodial relationship with a Direct Participant.

All capitalized terms not defined in this Bond shall have the meanings given in the Indenture.

NONE OF THE AUTHORITY, THE COMPANY, OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (a) THE BONDS; (b) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (c) THE TIMELY OR ULTIMATE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (d) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO REGISTERED OWNERS; (e) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (f) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER.

Except for the 15 days next preceding the mailing of notice of redemption of the Bonds (and, if this Bond or portion thereof is called, the period following the giving of such notice), this Bond is fully transferable by the Registered Owner hereof in person or by his duly authorized attorney on the registration books kept at the principal office of the Trustee upon surrender of this Bond, together with a duly executed written instrument of transfer satisfactory to the Trustee. Upon such transfer, a new fully registered bond or bonds of authorized denomination or denominations for the same aggregate principal amount, series, and maturity will be issued to the transferee in exchange therefor, all upon payment of the charges and subject to the terms and conditions set forth in the Indenture. The Authority and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond shall be overdue, for the purpose of receiving payment (except as provided above with respect to Regular and Special Record Dates) and for all other purposes, and neither the Authority nor the Trustee shall be affected by any notice to the

contrary. Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, then from the Original Issue Date.

To the extent permitted by, and as provided in the Indenture, modifications or amendments of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Authority and of the owners of all Outstanding Bonds and any Additional Bonds may be made with the consent of the Authority and, in certain instances, with the consent of the owners or Beneficial Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding and any Additional Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds which are unconditional, unless consented to by 66 2/3% Bondholders of such percentage affected thereby. Any such consent by the owner or Beneficial Owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

The owner or Beneficial Owner of this Bond shall have no right to enforce the provisions of the Indenture, the provisions of which are incorporated herein by this reference, or to institute action to enforce the pledge, assignment or covenants made therein or to take any action with respect to an Event of Default under the Indenture or to institute, appear in or defend any suit, action or other proceeding at law or in equity with respect thereto, except as provided in the Indenture. In case an Event of Default under the Indenture shall occur, the principal of all the Bonds at any such time Outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be rescinded and annulled by the Trustee under certain circumstances.

Neither the Chairman nor other Authorized Signatory of the Authority, nor any person executing the Bonds, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

It is hereby certified, recited and declared that all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Act or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed

This Bond shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose until the Trustee shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, **THE LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chairman.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By:_____
Chairman

Attest:

By:_____
Name: _____
Title: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____the undersigned, hereby sells, assigns and transfers unto:

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

_____

TAX IDENTIFICATION OR SOCIAL SECURITY NO.

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2023B Bonds described in the within mentioned Second Supplemental Indenture of Trust.

REGIONS BANK, as Trustee

By:_____
Authorized Officer

Date of Authentication:
November __, 2023

EXHIBIT B

CONSENT OF THE COMPANY AND THE FOUNDATION

Pursuant to Section 8.10 of the Mortgage and Loan Agreement dated as of April 1, 2007, between the Lee County Industrial Development Authority (the "Authority") and Regions Bank, (the "Trustee"), the undersigned on behalf of Lee County Community Charter Schools, LLC and the Southwest Charter Foundation, Inc. (formerly known as The Lee Charter Foundation, Inc.), hereby consent to the provisions of the Second Supplemental Indenture of Trust dated as of [November] 1, 2023 between the Authority and the Trustee.

Dated as of November 1, 2023

LEE COUNTY COMMUNITY CHARTER SCHOOLS, LLC

By:_____
Name: _____
Title: _____

SOUTHWEST CHARTER FOUNDATION, INC.

By:_____
Name: _____
Title: _____

EXHIBIT C

INCREMENTAL RENT SCHEDULE

EXHIBIT D

SCOPE OF WORK