

AGREEMENT

THIS Agreement is made as of the 24th day of July, 2015, by and between Board of Trustees of the University of Arkansas (“Board”) acting for and on behalf of the University of Arkansas at Little Rock (“UALR”), eSTEM Public Charter Schools, Inc. and eSTEM High Public Charter School, Inc. (the latter two together “eSTEM”).

WITNESSETH:

WHEREAS, UALR is a campus of the University of Arkansas, which owns certain property in Little Rock, Arkansas where it maintains and operates a public institution of higher education offering associate, bachelor’s, master’s and Ph.D. degrees; and

WHEREAS, eSTEM High Public Charter School, Inc. is a non-profit open-enrollment public charter school with grades K – 12 which operates through the authority of the State Board of Education (“Authorizer”) and the Arkansas Department of Education and conducts its activities in facilities at Third and Louisiana Streets in downtown Little Rock, and eSTEM Public Charter Schools, Inc. is a non-profit charter management organization which provides support to eSTEM High Public Charter School, Inc.; and

WHEREAS, the parties wish to express herein their mutual collaboration to construct and renovate facilities on the UALR campus for students of eSTEM in grades 9 – 12 (“the Project”).

NOW, THEREFORE in consideration of the mutual promises, covenants, and undertakings hereinafter contained, which the parties acknowledge to be of value, the parties agree as follows:

1. Land Purchase and Lease.

A. Within thirty (30) days after eSTEM providing written assurance that it has a binding commitment for sufficient funding for the Project, UALR will sell to eSTEM

certain property on its campus abutting 28th Street and identified as Tracts 54, 55 and 56 on the drawing attached as Exhibit A and incorporated herein ("Property"). The precise legal description of the Property will be agreed upon within thirty (30) days following the date of this Agreement. The parties acknowledge that approximately 0.41 acres of Tracts 54 and 56 are not owned by UALR but if either or both are subsequently purchased by UALR, UALR will be make it or them available to eSTEM by lease or purchase under arrangements mutually agreed upon by the parties. The purchase price of the Property will be \$50,000, which the parties acknowledge to be equal to or below the appraised price of \$130,000, and the balance of the consideration to UALR is reflected in the collaborative relationship between the parties set forth in this Agreement and which both acknowledge to be of value. The sale of the Property will be subject to approval of the Board and the Authorizer. The Board will furnish a commitment for title insurance at its cost in the amount of the purchase price showing good and merchantable title satisfactory to eSTEM's attorney. The closing agent's fee will be divided equally. The warranty deed for the Property will name eSTEM Public Charter Schools, Inc. as grantee and will contain a condition that eSTEM shall use the Property for its public charter school purposes and that if the Property should cease to be so used, the Property and improvements will revert to UALR. The Property is subject to the condition, which shall run with the land, that the Property and improvements constructed by eSTEM thereon, shall be used, maintained and operated by the eSTEM for its public charter school purposes, or by any corporate successor to eSTEM determined by the Board to be organized and existing for the same or substantially similar purposes as eSTEM and providing the same or substantial similar excellence in public charter school education as eSTEM. Should the Board determine that eSTEM or its successor has violated this covenant it shall furnish eSTEM or its successor written notice specifying the basis

for such violations of this covenant and eSTEM or its successor shall have thirty (30) days to cure such violations and if such violations have not been cured to the reasonable satisfaction of the Board by such date, title to the property and improvements thereon shall revert to UALR or its successors free and clear of all liens and encumbrances.

B. Larson Hall. UALR will also lease to eSTEM a building on the UALR campus known as Larson Hall through a long-term lease terminating at the same time the reversionary interest in the Property set forth hereinabove becomes effective. The lease will provide that e-STEM shall be responsible for fire and casualty insurance in commercially reasonable amounts approved by UALR (or, if allowed by the insurer, may participate through UALR's blanket property insurance) and that all costs of reasonable and ordinary maintenance and repair, necessary capital repairs or renovations and utilities shall be the expense of eSTEM. "Utilities" as used herein shall mean and refer to natural gas, electricity, water and sewer and telephone, internet and telecommunication services. The lease may also provide for reimbursement of UALR for certain services agreed upon between the parties to be provided for the facility.

2. Construction and Renovation.

A. New Facility. Promptly after closing of the purchase of the Property, eSTEM will commence and diligently pursue construction on the Property of a facility of approximately 60,000 square feet for the education of 9th and 10th grade students beginning in July 2017. The facility will be designed by eSTEM's architects, Witsell, Evans Rasco, and the design, plans and specifications shall be approved by UALR to be compatible and consistent with other buildings on the campus and particularly with the new Department of Arts and Design facility to be constructed by UALR on the south side of 28th Street through a grant from the

Windgate Foundation. Such architectural approval will not be unreasonably withheld, conditioned or delayed. UALR will also provide for parking for employees and students of eSTEM upon financial arrangements to be agreed upon between the parties.

B. Larson Hall Renovation. eSTEM will renovate Larson Hall at an anticipated cost of \$3.5 Million (which the parties acknowledge is an estimate subject to financial examination and justification) provided either through private philanthropy or borrowing from proceeds of bonds issued by the Arkansas Development Finance Authority. In the same manner set forth above UALR shall review and approve renovation design, plans and specifications for architectural compatibility. If and to the extent that UALR is requested and agrees to serve as a party obligated on such bonds, eSTEM will pay sufficient lease payments to cover the debt service on such bonds as well as the maintenance and repair of the facility and shall provide such other financial guarantees as UALR might reasonably request.

C. Ross Hall. The building currently known as Ross Hall or any replacement of such facility by whatever name known, will be made available to eSTEM for students who are unable to be accommodated by Larson Hall on terms and conditions to be agreed upon between the parties (not to include additional payments or guarantees by eSTEM) and such arrangements may be reflected as an amendment or amendments to the lease.

D. Financing of Improvements. eSTEM anticipates that it may be necessary to mortgage the Property to finance the construction of improvements thereon and to secure a loan or bond issue for such improvements and for other purposes. To protect UALR's reversionary interest in the Property, eSTEM will obtain the guaranty of a financially responsible third party approved by UALR to pay and discharge, at the request of UALR, any mortgage or

other lien on the Property created by eSTEM upon the occurrence of an event or events causing title in the Property and improvements to revert to UALR.

3. Collaborative Relationship. UALR and eSTEM will collaborate to assure that students and employees at eSTEM shall have the opportunity to attend classes for credit at UALR (consistent with policies of the Board and the Arkansas Higher Education Coordinating Board, as amended from time to time), to avail themselves of the recreational, physical fitness, art, music and theater programs at UALR and in general to avail themselves of UALR's facilities in the same manner as employees and students of UALR subject to payment of fees applicable to UALR employees and students for such use. The parties will also agree upon services currently provided by UALR for its facilities and students to also be provided under acceptable financial arrangements to eSTEM such as campus security, janitorial, regular maintenance, landscaping and internet availability through ARE-ON. Signage for eSTEM will be subject to approval of UALR. In furtherance of the foregoing, the parties agree to establish an advisory committee of an equal number of members comprised of UALR and eSTEM faculty and administrators to facilitate the cooperation between the parties to foster a cooperative relationship. The advisory committee shall report to the Chancellor of UALR and the CEO of eSTEM.

4. Approvals of the Board and the Authorizer. This Agreement is subject to the approvals of the Board and the Authorizer and is further subject to any and all land use approvals and street closures that may be required for the development of the Property.

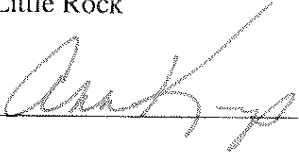
5. Entire Agreement. This Agreement sets forth the entire understanding of the parties concerning the subject matter hereof and there are no agreements, written or oral, other than those set forth herein. Any amendment to this Agreement shall be in writing and signed by duly authorized representatives of each party.

6. Governing Law. This Agreement shall be governed by the laws of the State of Arkansas.

EXECUTED as of the date first above written by the undersigned, duly authorized.

BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS acting
for and on behalf of the University of
Arkansas at Little Rock

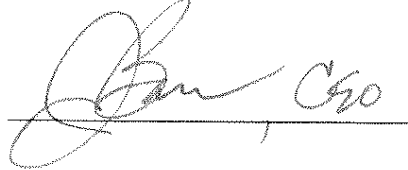
By: _____



Ann Kemp
Vice President for Administration
University of Arkansas System

eSTEM PUBLIC CHARTER SCHOOLS,
INC.

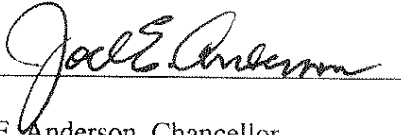
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eSTEM HIGH PUBLIC CHARTER
SCHOOLS, INC.

Approved:

By: _____

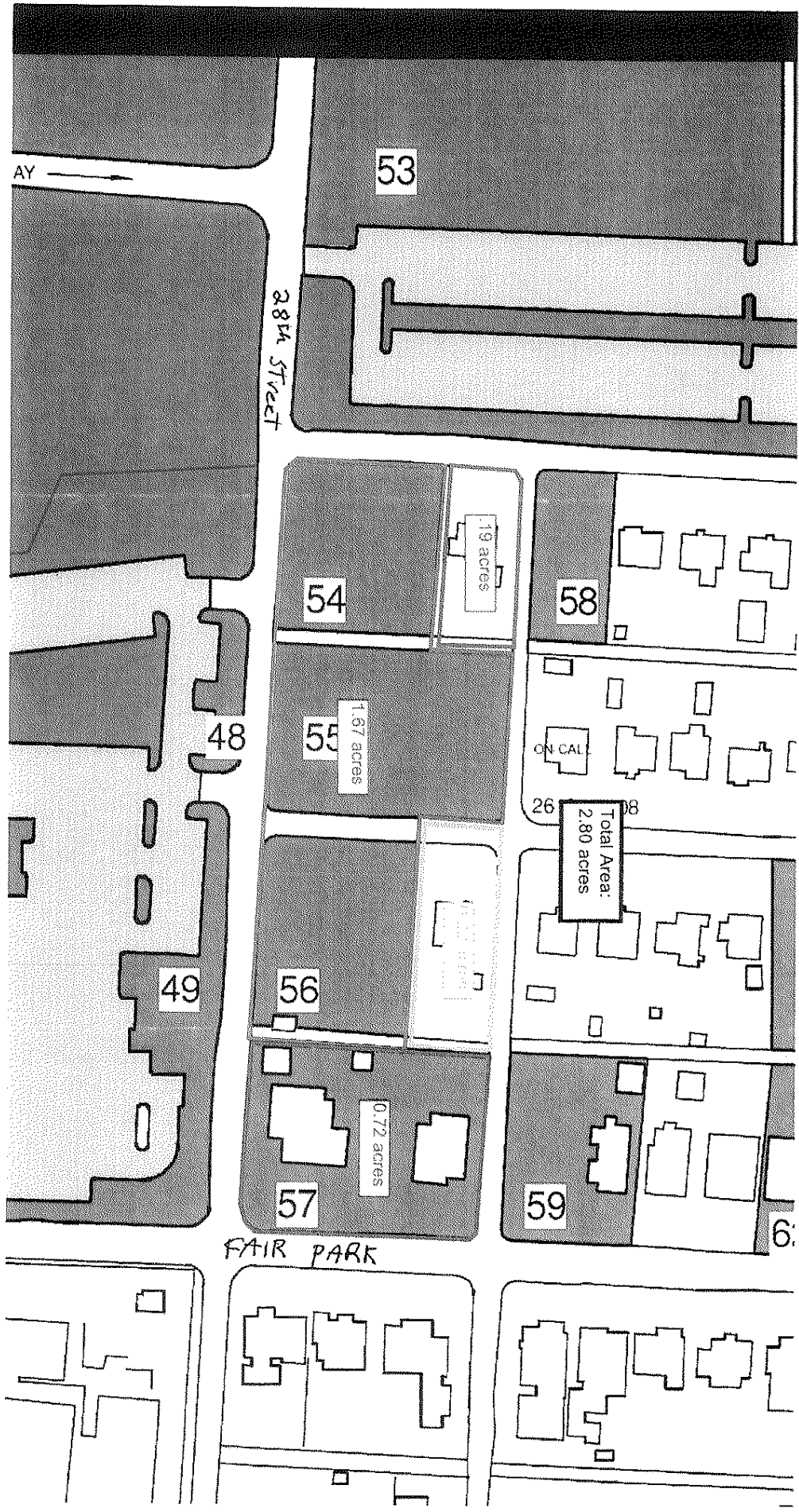


Joel E. Anderson, Chancellor
University of Arkansas at Little rock

By: _____



Exhibit A
Property Description



54, 55, 56

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