

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED FEBRUARY 6, 2026

NEW ISSUE—BOOK-ENTRY-ONLY

NO RATING

In the opinion of Butler Snow LLP, Bond Counsel, assuming the accuracy of certain representations and continuing compliance with certain covenants described herein, under existing statutes, regulations and judicial decisions, interest on the Bonds (defined below) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended, for purposes of computing the alternative minimum tax imposed on such corporations. See “TAX MATTERS” herein for a description of certain other tax consequences to holders of the Bonds.



\$34,115,000* ARLINGTON HIGHER EDUCATION FINANCE CORPORATION EDUCATION REVENUE BONDS (LOGOS PREPARATORY ACADEMY) SERIES 2026

Dated: March 1, 2026 – Interest accrues from Date of Delivery

Due: June 1 as shown on inside cover

Arlington Higher Education Finance Corporation (the “Issuer”), a nonprofit corporation created and existing under Chapters 53 and 53A of the Texas Education Code, as amended from time to time (the “Act”), is issuing \$34,115,000* Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “Bonds”). The Bonds will be dated their date of delivery, will be in authorized principal denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, provided that if the Bonds are rated “BBB-” or “Baa3,” as applicable, or better, principal denominations shall be reduced to \$25,000 and any integral multiple of \$5,000 in excess thereof, and will mature on June 1 of the years as shown on the inside cover page. The Bonds will accrue interest from their date of delivery payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2026, until maturity or earlier redemption.

The Bonds are being issued pursuant to a Trust Indenture and Security Agreement dated as of March 1, 2026 (the “Bond Indenture”), between the Issuer and UMB Bank, National Association, as trustee (the “Bond Trustee”). The proceeds of the Bonds will be loaned by the Issuer to Logos Preparatory Academy, a Texas nonprofit corporation (the “Borrower”), pursuant to the terms of a Loan Agreement dated as of March 1, 2026 (the “Loan Agreement”), between the Issuer and the Borrower.

The Bonds are special, limited obligations of the Issuer payable solely from (i) payments to be made by the Borrower pursuant to the Loan Agreement, (ii) the promissory note (the “Series 2026 Master Note”) in an aggregate amount equal to the principal amount of the Bonds delivered to the Issuer pursuant to the Loan Agreement and issued by the Borrower pursuant to a Master Trust Indenture and Security Agreement dated as of March 1, 2026, as supplemented by Supplemental Master Trust Indenture No. 1 dated as of March 1, 2026 (as so supplemented, the “Master Indenture”), each between the Borrower and UMB Bank, National Association, as master trustee (the “Master Trustee”), which the Series 2026 Master Note will be entitled to the benefit of the Master Indenture, (iii) the money and investments held for the credit of the funds and accounts established by or under the Bond Indenture (except the Rebate Fund) and (iv) in certain circumstances, out of amounts secured by the exercise of remedies provided in the Loan Agreement, the Bond Indenture, and the Master Indenture. See “PLAN OF FINANCE” herein and “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto.

The Series 2026 Master Note constitutes the only indebtedness initially entitled to the benefit of the Master Indenture (the Series 2026 Master Note, together with any additional promissory notes entitled to the benefit of the Master Indenture, are referred to herein as the “Master Notes”). The Borrower will execute and deliver a Deed of Trust and Security Agreement dated as of March 1, 2026 (the “Deed of Trust”), encumbering the New Campus (as defined herein), in favor of the Master Trustee for the benefit of the holders of the Master Notes. See “SECURITY FOR THE BONDS” herein.

The Bonds are subject to optional redemption, special optional redemption, mandatory sinking fund redemption, mandatory redemption upon a determination of taxability and extraordinary optional redemption prior to maturity, as described herein. See “THE BONDS – Redemption Provisions” herein.

The Borrower will use the proceeds of the Bonds for the purpose of: (i) financing and refinancing, including through reimbursement, all or a portion of the costs of the acquisition, construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities including a school campus located or to be located on an approximately 23.2-acre site located in Sugar Land, Texas, and as further described herein, (ii) funding capitalized interest on the Bonds, (iii) funding a debt service reserve fund deposit equal to maximum annual debt service*, and (iv) paying certain of the costs of issuing the Bonds (collectively, the “Project”). See “PLAN OF FINANCE” herein. The Borrower operates a private, independent, kindergarten through grade 12 University-Model® school in Sugar Land, Texas. See “PLAN OF FINANCE” herein and “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto. The Borrower has no taxing authority.

The Bonds will be issued as registered bonds in book-entry only form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry-only form (without physical certificates). For so long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, (i) payments of the principal of and premium, if any, and interest on such Bonds will be made directly to Cede & Co. for payment to DTC participants for subsequent disbursement to the beneficial owners, and (ii) all notices, including any notice of redemption will be mailed only to Cede & Co. See “BOOK-ENTRY ONLY SYSTEM” herein.

THE BONDS ARE NOT OBLIGATIONS OF THE CITY OF ARLINGTON, TEXAS (THE “CITY”), THE STATE OF TEXAS (THE “STATE”) OR ANY ENTITY OTHER THAN THE ISSUER. NONE OF THE STATE, THE CITY, NOR ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE SHALL BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

THE PURCHASE AND HOLDING OF THE BONDS INVOLVE RISKS THAT MAY NOT BE APPROPRIATE FOR CERTAIN INVESTORS. THE BONDS ARE TO BE OFFERED AND SOLD (INCLUDING IN SECONDARY MARKET TRANSACTIONS) ONLY TO “QUALIFIED INSTITUTIONAL BUYERS” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) AND “ACCREDITED INVESTORS” AS DEFINED IN SECTION 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT. IN ADDITION, THE INITIAL PURCHASERS OF THE BONDS WILL BE REQUIRED TO SUBMIT AN INVESTOR LETTER TO THE ISSUER AND THE BOND TRUSTEE. SEE “NOTICE TO INVESTORS,” “THE BONDS – TRANSFER RESTRICTIONS” AND “CERTAIN RISK FACTORS – SECONDARY MARKET” HEREIN.

Investment in the Bonds involves a significant degree of risk and is speculative in nature as described under “CERTAIN RISK FACTORS” herein and under other sections of this Limited Offering Memorandum.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this entire Limited Offering Memorandum, including the Appendices attached hereto, to obtain information essential to the making of an informed investment decision. All references in this Limited Offering Memorandum to documents are qualified in their entirety by reference to such documents, and references to the Bonds are qualified in their entirety by reference to the form of the Bonds included in the Bond Indenture.

The Bonds are offered when, as and if issued by the Issuer and received and accepted by the underwriter listed below (the “Underwriter”) and subject to the approval of certain matters by the Attorney General of the State and an opinion as to legality by Butler Snow LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon by Troutman Pepper Locke LLP, Houston, Texas, as counsel to the Issuer; by Butler Snow LLP, Austin, Texas, as special counsel to the Borrower; by Hallett & Perrin, P.C., Dallas, Texas, as real estate counsel to the Borrower; and by Hawkins Delafield & Wood LLP, San Francisco, California, as counsel to the Underwriter. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about March __, 2026.

STIFEL

Dated: February __, 2026.

* Preliminary, subject to change.

MATURITY SCHEDULE

\$34,115,000*

**ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BONDS
(LOGOS PREPARATORY ACADEMY)
SERIES 2026**

\$ _____ % Term Bonds Due June 1, 20__ – Priced to Yield ____ % CUSIP _____ †
\$ _____ % Term Bonds Due June 1, 20__ – Priced to Yield ____ % CUSIP _____ †
\$ _____ % Term Bonds Due June 1, 20__ – Priced to Yield ____ % CUSIP _____ †
\$ _____ % Term Bonds Due June 1, 20__ – Priced to Yield ____ % CUSIP _____ †

* Preliminary, subject to change,

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This Limited Offering Memorandum does not constitute an offer to sell the Bonds or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state or other jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale in such state or jurisdiction. No dealer, salesperson or any other person has been authorized to give any information or to make any representation other than those contained herein in connection with the offering of the Bonds, and, if given or made, such information or representation must not be relied upon.

The Issuer has not reviewed or approved any information herein except information relating to the Issuer under the captions “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION – The Issuer,” which has been obtained from the Issuer. All other information set forth herein has been obtained from the Borrower and other sources that are believed to be reliable. The adequacy, accuracy or completeness of such information is not guaranteed by, and is not to be construed as a representation of, the Issuer or 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 hereunder, shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, The Depository Trust Company or the Borrower since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Limited Offering Memorandum. The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of these transactions, but the Underwriter does not guarantee the accuracy or completeness of this information.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE 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**

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute “forward-looking statements.” Such statements generally are identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. Such forward-looking statements include but are not limited to certain statements contained in the information under the headings “PLAN OF FINANCE,” “CERTAIN RISK FACTORS” and “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” in this Limited Offering Memorandum. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Borrower does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur. The Borrower maintains a website providing additional information about itself and its operations. The information on such website is not included as part of, or incorporated by any reference in, this Limited Offering Memorandum.

NOTICE TO INVESTORS

The Bonds are to be offered and sold (including in secondary market transactions) only to Qualified Institutional Buyers or Accredited Investors (each as defined herein). The Bond Indenture under which the Bonds will be issued contains provisions limiting transfers of the Bonds and beneficial ownership interests in the Bonds only to Qualified Institutional Buyers or Accredited Investors. In addition, the face of each Bond will contain a legend indicating that it is subject to transfer restrictions as set forth in the Bond Indenture and the initial purchasers of the Bonds will be required to execute and deliver to the Issuer and the Bond Trustee an investor letter in the form attached hereto as Appendix I.

Each purchaser of any Bond or ownership interest therein (including in secondary market transactions) will be deemed to have acknowledged, represented, warranted, and agreed with and to the Issuer, the Borrower, the Underwriter and the Bond Trustee as follows:

1. That the Bonds are payable solely from certain revenues derived by the Issuer under the Loan Agreement and from certain funds and accounts established and maintained pursuant to the Bond Indenture;
2. That it is a Qualified Institutional Buyer or an Accredited Investor and that it is purchasing the Bonds for its own account and not with a view to, or for offer or sale in connection with any distribution thereof in violation of the Securities Act of 1933, as amended (the “Securities Act”) or other applicable securities laws;
3. That the Bonds (a) have not been registered under the Securities Act and are not registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) may not be readily marketable;
4. That the Issuer has not reviewed or approved any information in this Limited Offering Memorandum except information relating to the Issuer under the captions “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION – The Issuer,” which has been obtained from the Issuer;
5. That none of the Issuer, the Borrower nor the Underwriter has made any representations other than as set forth in the Limited offering Memorandum;
6. That the Underwriter, the Borrower and the Issuer take no responsibility for, and make no representation, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Bond Indenture, or any securities law or income tax law consequences thereof;
7. That the Bonds and beneficial ownership interests therein may only be transferred to Qualified Institutional Buyers or Accredited Investors;
8. That the obligations of the Issuer under the Bond Indenture are limited and carry material risks associated with the timely and full payment of principal and interest on the Bonds given the nature of the securities and the security pledges including the risks as described in this Limited Offering Memorandum; and
9. That the Issuer, the Borrower, the Bond Trustee, the Underwriter and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

See “THE BONDS – Transfer Restrictions” herein.

TABLE OF CONTENTS

INTRODUCTION	1
General.....	1
The Bonds.....	1
Security for the Bonds	2
Authority for Issuance	2
Use of Proceeds	3
Redemption.....	3
Certain Risk Factors	3
Limited Offering of Bonds	3
Miscellaneous	4
THE ISSUER.....	4
Limited Involvement of the Issuer.....	5
LOGOS PREPARATORY ACADEMY	5
PLAN OF FINANCE.....	6
ESTIMATED SOURCES AND USES OF FUNDS	7
DEBT SERVICE SCHEDULE.....	8
THE BONDS	9
Description.....	9
Redemption Provisions	9
Transfer Restrictions.....	13
BOOK-ENTRY ONLY SYSTEM.....	13
SECURITY FOR THE BONDS.....	15
General.....	15
Master Notes and the Master Indenture	15
The Bond Indenture	19
Debt Service Fund	20
Debt Service Reserve Fund.....	20
Repair and Replacement Fund.....	21
The Loan Agreement	22
CERTAIN RISK FACTORS	22
Caution Regarding Forward-Looking Statements	22
Sufficiency of Revenues	22
Inability to Raise Tuition.....	23
Risk of Noncontinued Philanthropy or Grants.....	23
Reliance on Projections of Growth.....	23
Competition	23
Risks Associated with Schools	23
Limited Assets of the Borrower.....	24
No Taxing Power.....	24
Pledge of Gross Revenues to Master Trustee	24
Economic and Other Factors.....	24
Operating History; Projections	25
Failure to Provide Ongoing Disclosure.....	25
Infectious Disease Outbreak – COVID-19	26
Restrictions on Use of New Campus; Reciprocal Easements.....	26
Leasehold Interest in Non-Pledged Campuses	27
Value of Land and Improvements; Values May Fluctuate	27

Inability to Liquidate or Delay in Liquidating the Project.....	28
Risk of Catastrophic Loss; Damage, Destruction or Condemnation	28
Environmental Regulation	29
Construction Risks.....	29
Limitations on Appraisals.....	30
Key Personnel.....	30
Special, Limited Obligations	30
Limited Remedies After Default.....	31
Potential Effects of Bankruptcy	31
Certain Matters Relating to Enforceability of the Master Indenture.....	31
Limitation on Security	32
Cybersecurity.....	32
Campus Security	32
Extreme Weather Events; Natural Disaster	33
Additional Debt	33
Enforcement of Remedies.....	33
Litigation	33
Tax-Exempt Status of the Bonds	34
Proposed Tax Legislation	34
Tax-Exempt Status of the Borrower	34
Religious Nature of the Borrower; Non-Qualified Use of Facilities Financed with Tax-Exempt Obligations.....	35
Risk of Failure to Comply with Certain Covenants.....	36
State and Local Tax Exemption.....	36
Unrelated Business Income	36
No Rating.....	37
Secondary Market.....	37
Risk of Loss from Nonpresentment upon Redemption.....	37
Risk of Amendment of Bond Documents.....	37
Legal Opinions.....	38
LEGAL MATTERS.....	38
General.....	38
ABSENCE OF MATERIAL LITIGATION.....	38
The Borrower.....	38
The Issuer	39
TAX MATTERS.....	39
CONTINUING DISCLOSURE.....	42
FINANCIAL STATEMENTS	42
NO RATING	42
UNDERWRITING	42
MISCELLANEOUS	43
Additional Information	43
Certification	S-1

APPENDIX A	LOGOS PREPARATORY ACADEMY AND THE PROJECT.....	A-1
APPENDIX B	AUDITED FINANCIAL STATEMENTS OF THE BORROWER FOR THE FISCAL YEARS ENDED MAY 31, 2025 AND 2024.....	B-1
APPENDIX C	FORM OF BOND COUNSEL OPINION.....	C-1
APPENDIX D	FORM OF CONTINUING DISCLOSURE AGREEMENT.....	D-1
APPENDIX E	FORM OF MASTER INDENTURE AND THE SUPPLEMENTAL MASTER INDENTURE	E-1
APPENDIX F	FORM OF BOND INDENTURE.....	F-1
APPENDIX G	FORM OF LOAN AGREEMENT	G-1
APPENDIX H	FORM OF DEED OF TRUST	H-1
APPENDIX I	FORM OF INVESTOR LETTER	I-1

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LIMITED OFFERING MEMORANDUM

\$34,115,000*

**ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BONDS
(LOGOS PREPARATORY ACADEMY)
SERIES 2026**

INTRODUCTION

General

The purpose of this Limited Offering Memorandum is to provide certain information concerning the issuance and sale by Arlington Higher Education Finance Corporation (the “Issuer”) of its \$34,115,000* Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “Bonds”).

The Bonds

The Bonds are being issued pursuant to a Trust Indenture and Security Agreement dated as of March 1, 2026 (the “Bond Indenture”), between the Issuer and UMB Bank, National Association, as trustee (the “Bond Trustee”). The proceeds of the Bonds will be loaned by the Issuer to Logos Preparatory Academy, a Texas nonprofit corporation (the “Borrower”), pursuant to the terms of a Loan Agreement dated as of March 1, 2026 (the “Loan Agreement”), between the Issuer and the Borrower. The Bonds mature and bear interest (computed on the basis of a 360-day year of twelve 30-day months) at the rates set forth on the inside cover page hereof. Interest on the Bonds is payable semiannually on each June 1 and December 1 commencing on June 1, 2026. The Bonds will be dated as of March 1, 2026 and will be in authorized principal denominations of \$100,000 and integral multiples of \$5,000 in excess thereof; provided that upon and after receipt by the Bond Trustee from the Borrower of a rating letter by a Rating Service (as defined herein) indicating that the Bonds are rated “BBB-” or “Baa3,” as applicable, or better, Authorized Denominations shall mean \$25,000 and any integral multiple of \$5,000 in excess thereof (“Authorized Denominations”). While the Bonds remain in book-entry-only form, transfer of ownership by Beneficial Owners (as defined by the rules of The Depository Trust Company, New York, New York (“DTC”), as further described herein) may be made as described in “BOOK-ENTRY ONLY SYSTEM.”

Beneficial ownership interests in the Bonds are to be sold (including secondary market transactions) only to “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act (“Qualified Institutional Buyers”) or “accredited investors” as defined in Rule 501 of Regulation D promulgated under the Securities Act (“Accredited Investors”). In addition, each initial purchaser of the Bonds must execute an investor letter in the form set forth in “APPENDIX I – FORM OF INVESTOR LETTER” attached hereto in connection with its initial purchase of the Bonds. See “THE BONDS – Transfer Restrictions” and “CERTAIN RISK FACTORS – Secondary Market” herein.

* Preliminary, subject to change.

Key Defined Terms

<i>Defined Term</i>	<i>Meaning</i>
Non-Pledged Campuses	Two Campuses: • Brooks Campus (800 Brooks Street, Sugar Land, Texas) • 59 Campus (13303 SW Freeway, Sugar Land, Texas)
New Campus	One Campus: • 802 Brooks Street, Sugar Land, Texas Immediately adjacent to Brooks Campus, and includes gymnasium that is currently part of Brooks Campus

Security for the Bonds

The Bonds are special, limited obligations of the Issuer payable solely from (i) payments to be made by the Borrower pursuant to the Loan Agreement, (ii) the promissory note (the “Series 2026 Master Note”) in an aggregate amount equal to the principal amount of the Bonds delivered to the Issuer pursuant to the Loan Agreement and issued by the Borrower pursuant to a Master Trust Indenture and Security Agreement dated as of March 1, 2026, as supplemented by Supplemental Master Trust Indenture No. 1 dated as of March 1, 2026 (as so supplemented, the “Master Indenture”), each between the Borrower and UMB Bank, National Association, as master trustee (the “Master Trustee”), which Series 2026 Master Note will be entitled to the benefit of the Master Indenture, (iii) the money and investments held for the credit of the funds and accounts established by or under the Bond Indenture (except the Rebate Fund) and (iv) in certain circumstances, out of amounts secured by the exercise of remedies provided in the Loan Agreement, the Bond Indenture, and the Master Indenture.

The Series 2026 Master Note constitutes the only indebtedness initially entitled to the benefit of the Master Indenture (the Series 2026 Master Note, together with any additional promissory notes entitled to the benefit of the Master Indenture, are referred to herein as the “Master Notes”). The Borrower will execute and deliver a Deed of Trust and Security Agreement dated as of March 1, 2026 (the “Deed of Trust”), encumbering the New Campus (as defined herein), in favor of the Master Trustee for the benefit of the holders of the Master Notes. Lastly, the Borrower will execute one or more deposit account control agreements (collectively, the “Deposit Account Control Agreement”), providing a perfected security interest in its deposit accounts. See “LOGOS PREPARATORY ACADEMY,” “PLAN OF FINANCE” and “SECURITY FOR THE BONDS” herein and “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto.

The Bonds do not constitute the debt or indebtedness of the Issuer within the meaning of any provision or limitation of the constitution or statutes of the State of Texas (the “State”) and shall never constitute or give rise to a pecuniary liability of the Issuer or the State or a charge against the general credit or taxing power of the Issuer or the State. The Issuer has no taxing power.

Authority for Issuance

The Bonds will be issued by the Issuer pursuant to Chapters 53 and 53A of the Texas Education Code, as amended, (the “Act”), a resolution of the Issuer, and the Bond Indenture. See “THE ISSUER” herein.

Use of Proceeds

The proceeds from the sale of the Bonds will be loaned by the Issuer to the Borrower for the purposes of (i) financing and refinancing, including through reimbursement, all or a portion of the costs of the acquisition, construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities including a school campus located or to be located on an approximately 23.2-acre site located in Sugar Land, Texas, and as further described herein, (ii) funding capitalized interest on the Bonds, (iii) funding a debt service reserve fund deposit equal to maximum annual debt service,* and (iv) paying certain of the costs of issuing the Bonds (collectively, the “Project”). See “PLAN OF FINANCE” herein and “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto.

Redemption

The Bonds will be subject to optional redemption, special optional redemption, mandatory sinking fund redemption, mandatory redemption upon a determination of taxability and extraordinary optional redemption as described herein under “THE BONDS – Redemption Provisions.”

Certain Risk Factors

The Bonds may not be a suitable investment for all investors. Prospective purchasers of the Bonds should read this entire Limited Offering Memorandum, including the appendices and the information under the heading “— Limited Offering of Bonds” below and the section “CERTAIN RISK FACTORS” herein before making an investment in the Bonds.

Limited Offering of Bonds

The Bonds are to be offered and sold (including in secondary market transactions) only to Qualified Institutional Buyers or Accredited Investors (each as defined herein). The Bond Indenture under which the Bonds will be issued contains provisions limiting transfers of the Bonds and beneficial ownership interests in the Bonds only to Qualified Institutional Buyers or Accredited Investors. In addition, the face of each Bond will contain a legend indicating that it is subject to transfer restrictions as set forth in the Bond Indenture and the initial purchasers of the Bonds will be required to execute and deliver to the Issuer and the Bond Trustee an investor letter in the form attached hereto as Appendix I.

Each purchaser of any Bond or ownership interest therein (including in secondary market transactions) will be deemed to have acknowledged, represented, warranted, and agreed with and to the Issuer, the Borrower, the Underwriter and the Bond Trustee as follows:

1. That the Bonds are payable solely from certain revenues derived by the Issuer under the Loan Agreement and from certain funds and accounts established and maintained pursuant to the Bond Indenture;
2. That it is a Qualified Institutional Buyer or an Accredited Investor and that it is purchasing the Bonds for its own account and not with a view to, or for offer or sale in connection with any distribution thereof in violation of the Securities Act of 1933, as amended (the “Securities Act”) or other applicable securities laws;
3. That the Bonds (a) have not been registered under the Securities Act and are not registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) may not be readily marketable;

* Preliminary, subject to change.

4. That the Issuer has not reviewed or approved any information in this Limited Offering Memorandum except information relating to the Issuer under the captions “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION – The Issuer,” which has been obtained from the Issuer;

5. That none of the Issuer, the Borrower nor the Underwriter has made any representations other than as set forth in the Limited offering Memorandum;

6. That the Underwriter, the Borrower and the Issuer take no responsibility for, and make no representation, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Bond Indenture, or any securities law or income tax law consequences thereof;

7. That the Bonds and beneficial ownership interests therein may only be transferred to Qualified Institutional Buyers or Accredited Investors;

8. That the obligations of the Issuer under the Bond Indenture are limited and carry material risks associated with the timely and full payment of principal and interest on the Bonds given the nature of the securities and the security pledges including the risks as described in this Limited Offering Memorandum; and

9. That the Issuer, the Borrower, the Bond Trustee, the Underwriter and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

Miscellaneous

This Limited Offering Memorandum contains brief descriptions of, among other things, the Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture, the Series 2026 Master Note, the Deed of Trust, and the Borrower. All references in this Limited Offering Memorandum to documents are qualified in their entirety by reference to such documents, and references to the Bonds are qualified in their entirety by reference to the form of the Bonds included in the Bond Indenture. The Borrower maintains a website providing additional information about itself and its operations. The information on such website is not included as part of, or incorporated by any reference in, this Limited Offering Memorandum. Any capitalized terms in this Limited Offering Memorandum that are not defined herein will have such meaning as given to them in the Bond Indenture or the Master Indenture.

THE ISSUER

The Issuer was established by the City of Arlington, Texas (the “City”) for the specific and limited purpose of issuing revenue bonds to finance or refinance “educational facilities” and “housing facilities” (as such terms are defined in the Act) and facilities which are incidental, subordinate or related thereto or appropriate in connection therewith, all in accordance with and pursuant to Sections 53.35(b) and 53A.35(b) of the Act. The Issuer has no material assets. Other than legal counsel, the Issuer has not engaged any consultant or other professional. **THE ISSUER HAS NO TAXING POWER.** The Issuer is receiving a fee of approximately \$25,000 in connection with the issuance of the Bonds, after provisions have been made for expenses of the Issuer.

Except for the issuance of the Bonds, the Issuer is not in any manner related to or affiliated with the Borrower. The Issuer has issued the Bonds and loaned the proceeds to the Borrower pursuant to the Loan Agreement solely to carry out the Issuer’s statutory purposes. The Borrower has agreed to indemnify the Issuer and the City for certain matters under the Loan Agreement.

The directors of the Issuer are not personally liable in any way for any act or omission committed or suffered in the performance of the functions of the Issuer.

NEITHER THE ISSUER NOR THE CITY HAS ASSUMED ANY RESPONSIBILITY FOR THE MATTERS CONTAINED HEREIN EXCEPT, IN THE CASE OF THE ISSUER, SOLELY AS TO THE

MATTERS SET FORTH IN THIS SECTION, AND IN THE SECTION “ABSENCE OF MATERIAL LITIGATION – THE ISSUER”. ALL FINDINGS AND DETERMINATIONS BY THE ISSUER AND THE CITY, RESPECTIVELY, ARE AND HAVE BEEN MADE BY EACH FOR ITS OWN INTERNAL USES AND PURPOSES. NOTWITHSTANDING ITS APPROVAL OF THE BONDS FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), THE CITY DOES NOT ENDORSE IN ANY MANNER, DIRECTLY OR INDIRECTLY, GUARANTEE OR PROMISE TO PAY THE BONDS FROM ANY SOURCE OF FUNDS OF THE CITY OR GUARANTEE, WARRANT OR ENDORSE THE CREDITWORTHINESS OR CREDIT STANDING OF THE BORROWER, OR IN ANY MANNER GUARANTEE, WARRANT, OR ENDORSE THE INVESTMENT QUALITY OR VALUE OF THE BONDS. THE BONDS ARE PAYABLE SOLELY AS DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM AND THE BOND INDENTURE AND ARE NOT IN ANY MANNER PAYABLE WHOLLY OR PARTIALLY FROM ANY FUNDS OR PROPERTIES OTHERWISE BELONGING TO THE ISSUER. BY ITS ISSUANCE OF THE BONDS, THE ISSUER DOES NOT IN ANY MANNER, DIRECTLY OR INDIRECTLY, GUARANTEE, WARRANT OR ENDORSE THE CREDITWORTHINESS OR CREDIT STANDING OF THE BORROWER OR THE INVESTMENT QUALITY OR VALUE OF THE BONDS.

The Issuer has limited recourse liability on the Bonds, and all payments to be made on the Bonds shall be provided for entirely from funds of the Borrower or other assets pledged as part of the Trust Estate.

Limited Involvement of the Issuer

The Issuer has no obligation to review, control or oversee the activities of the Bond Trustee or the Borrower or the compliance by either of them with any covenants or provisions of any related documents, including (without limitation) any covenants that relate to the excludability from gross income of interest on the Bonds.

NONE OF THE CITY, THE ISSUER, THE STATE, OR ANY STATE AGENCY, POLITICAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE SHALL BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE, OR ANY STATE AGENCY, POLITICAL CORPORATION OR POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

LOGOS PREPARATORY ACADEMY

The Borrower is a nonprofit corporation incorporated in the State and an organization described under Section 501(c)(3) of the Code. Founded in 2006, the Borrower operates one of the largest kindergarten through grade 12 University-Model schools in the nation, and is located in Sugar Land, Texas (the “School”). A University-Model school is a blend of the aspects of traditional public and private schools in a family-friendly Christian environment that offers elementary through high school students a college preparatory education. The School is currently serving approximately 623 students in kindergarten through grade 12.

The Borrower currently operates kindergarten through grade 2 of the School at a leased facility located at 800 Brooks Street, Sugar Land, Texas (the “Brooks Campus”) and grades 3 through 12 of the School at a leased facility located at 13303 SW Freeway, Sugar Land, Texas (the “59 Campus” and, together with the Brooks Campus, the “Non-Pledged Campuses”). The Borrower has operated at the Brooks Campus since 2014, and currently operates at the Brooks Campus pursuant to a School Renewal Lease Agreement between the Borrower and Faith Lutheran Church of Sugar Land (the “Brooks Campus Landlord”), with a current lease expiration date of May 31, 2027 (the “Brooks Campus Lease”); provided, however, that the Borrower may continue operating at the Brooks Campus pursuant to the Brooks Campus Lease until the completion of the Project. The Borrower

has operated at the 59 Campus since 2009, and currently operates at the 59 Campus pursuant to a License Agreement between the Borrower and Sugar Creek Baptist Church (the “59 Campus Landlord”), with a current lease expiration date of May 31, 2027, and two extension options thereafter (the “59 Campus Lease”).

Neither of the Non-Pledged Campuses are to be encumbered by the Deed of Trust or otherwise a source of security for the Series 2026 Master Note or the Bonds. See “CERTAIN RISK FACTORS – Leasehold Interest in Non-Pledged Campuses” herein.

For more information regarding the School, the Borrower and its current and planned future operations, see generally “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto.

PLAN OF FINANCE

The Borrower will use the proceeds of the Bonds to relocate its School operations from the Non-Pledged Campuses to new facilities on a single Campus (as defined below) and to allow the Brooks Campus Lease and the 59 Campus Lease to expire without extension. To that end, the Borrower will use the proceeds of the Bonds for the purpose of: (i) financing and refinancing, including through reimbursement, all or a portion of the costs of the acquisition, construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities including a school campus located or to be located on an approximately 23.2-acre site located in Sugar Land, Texas, and as further described below (the “New Campus”), (ii) funding capitalized interest on the Bonds, (iii) funding a debt service reserve fund deposit equal to maximum annual debt service,* and (iv) paying certain of the costs of issuing the Bonds (collectively, the “Project”).

The New Campus will be constructed upon two adjacent parcels of land owned by the Borrower situated in the southwest corner of the intersection of Brooks Street and Camelia Street within the City of Sugar Land, Texas: (i) an approximately 17.2 acre parcel of land with the current address assigned of 802 Brook Street, Sugar Land, Texas 77478 (the “Bridge Parcel”), which the Borrower acquired from First Baptist Church, Sugar Land, Texas, d/b/a The Bridge Fellowship (“Bridge Fellowship”) on January 27, 2026, for a purchase price of \$6,052,017, and (ii) an approximately 6.0 acre parcel of land with the current address assigned of 800 Brook Street, Sugar Land, Texas 77478 (the “Faith Parcel”), which the Borrower acquired from Faith Lutheran Church of Sugar Land (“Faith Lutheran”) on January 27, 2026, for a purchase price of \$4,056,000. The Borrower financed the acquisition of the Bridge Parcel with proceeds of a loan from Bridge Fellowship, evidenced by a promissory note dated January 27, 2026, from the Borrower to Bridge Fellowship, which is currently outstanding in the amount of \$4,841,614 (the “Bridge Loan”). The Borrower financed the acquisition of the Faith Parcel with proceeds of a loan from Faith Lutheran, evidenced by a promissory note dated January 27, 2026, from the Borrower to Faith Lutheran, which is currently outstanding in the amount of \$2,576,000 (the “Faith Loan”).

Approximately \$7,417,614* of the proceeds of the Bonds will be used by the Borrower to prepay the outstanding Bridge Loan and Faith Loan in full concurrently with the issuance of the Bonds. Approximately \$22,774,423* of the proceeds of the Bonds will be used by the Borrower to finance the construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities located and to be located at the New Campus, to consist of a new approximately 60,000 square-foot, three-story classroom and administrative building, a new approximately 4,000 square-foot one-story cafeteria building, a new open air pavilion, the renovation of an existing approximately 14,000 square-foot gymnasium, athletic fields, related facilities, improvements, fixtures, furnishings, equipment and site improvements, in aggregate including 48 classrooms and related office and administrative facilities. The Project is expected to be completed in July 2027. Beginning with the 2027-28 school year, the Borrower intends to cease operations at the Non-Pledged Campuses (except for the existing gymnasium at the Brooks Campus, which is included as part of the

* Preliminary, subject to change.

New Campus) and consolidate and relocate the School to the New Campus. The New Campus is expected to accommodate a total enrollment of 976 students, using staggered attendance of enrolled students.

For more information regarding the Project to be financed with proceeds of the Bonds, see “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT” attached hereto.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth estimated sources and uses of funds in connection with the plan of finance described above:*

Sources of Funds

Par Amount of the Bonds	\$34,115,000
[Net] Original Issue [Premium/Discount]	-
Total Bond Sources	<u>\$34,115,000</u>
Equity Contribution ⁽¹⁾	<u>\$6,186,849</u>
Total Sources of Funds	<u>\$40,301,849</u>

Uses of Funds

Project Funds	
Project Fund Deposit ⁽²⁾	\$21,587,574
Previously Spent Project Costs ⁽²⁾	\$1,186,849
Site Acquisition Costs ⁽³⁾	<u>\$10,108,017</u>
Total Project Funds	<u>\$32,882,440</u>
Debt Service Reserve Fund	\$2,547,763
Costs of Issuance Account ⁽⁴⁾	\$1,673,365
Capitalized Interest Account	<u>\$3,198,281</u>
Total Uses of Funds	<u>\$40,301,849</u>

⁽¹⁾ Includes \$1,186,850 in pre-development costs previously paid by the Borrower, \$2,690,403 in down payments on the Site acquisition previously paid by the Borrower, and \$2,309,597 in cash equity deposited with the Bond Trustee at closing.

⁽²⁾ Reflects construction, predevelopment, and other project costs.

⁽³⁾ Reflects the full purchase price.

⁽⁴⁾ Includes, without limitation, issuer fees, legal fees, Underwriter’s discount, printing fees and other costs of issuance of the Bonds.

* Preliminary, subject to change.

DEBT SERVICE SCHEDULE

The table below sets forth the amounts required to be paid with respect to the Bonds, assuming no prepayments or redemption prior to maturity. The Borrower will not have any other outstanding long-term debt upon the issuance of the Bonds. All amounts shown in the table below are gross debt service prior to the application of any amounts deposited in, and any earnings on, funds and accounts established under the Bond Indenture.*

<i>Period Ending June 1</i>	<i>Principal Amount</i>	<i>Interest Amount</i>	<i>Total Debt Service</i>	<i>Less: (Project Fund Earnings)⁽¹⁾</i>	<i>Less: Reserve (Fund Earnings)⁽²⁾</i>	<i>Less: (Capitalized Interest)</i>	<i>Net Debt Service</i>
2026	--	\$550,104	\$550,104	--	--	\$(550,104)	--
2027	--	2,302,763	2,302,763	\$(310,779)	\$(118,365)	(1,197,437)	\$676,182
2028	--	2,302,763	2,302,763	--	(95,541)	(875,050)	1,332,172
2029	--	2,302,763	2,302,763	--	(95,541)	(575,691)	1,631,531
2030	--	2,302,763	2,302,763	--	(95,541)	--	2,207,221
2031	\$245,000	2,302,763	2,547,763	--	(95,541)	--	2,452,221
2032	260,000	2,286,225	2,546,225	--	(95,541)	--	2,450,684
2033	275,000	2,268,675	2,543,675	--	(95,541)	--	2,448,134
2034	295,000	2,250,113	2,545,113	--	(95,541)	--	2,449,571
2035	315,000	2,230,200	2,545,200	--	(95,541)	--	2,449,659
2036	335,000	2,208,938	2,543,938	--	(95,541)	--	2,448,396
2037	360,000	2,186,325	2,546,325	--	(95,541)	--	2,450,784
2038	385,000	2,162,025	2,547,025	--	(95,541)	--	2,451,484
2039	410,000	2,136,038	2,546,038	--	(95,541)	--	2,450,496
2040	435,000	2,108,363	2,543,363	--	(95,541)	--	2,447,821
2041	465,000	2,079,000	2,544,000	--	(95,541)	--	2,448,459
2042	495,000	2,047,613	2,542,613	--	(95,541)	--	2,447,071
2043	530,000	2,014,200	2,544,200	--	(95,541)	--	2,448,659
2044	565,000	1,978,425	2,543,425	--	(95,541)	--	2,447,884
2045	605,000	1,940,288	2,545,288	--	(95,541)	--	2,449,746
2046	645,000	1,899,450	2,544,450	--	(95,541)	--	2,448,909
2047	690,000	1,855,913	2,545,913	--	(95,541)	--	2,450,371
2048	735,000	1,809,338	2,544,338	--	(95,541)	--	2,448,796
2049	785,000	1,759,725	2,544,725	--	(95,541)	--	2,449,184
2050	840,000	1,706,738	2,546,738	--	(95,541)	--	2,451,196
2051	895,000	1,650,038	2,545,038	--	(95,541)	--	2,449,496
2052	955,000	1,589,625	2,544,625	--	(95,541)	--	2,449,084
2053	1,020,000	1,525,163	2,545,163	--	(95,541)	--	2,449,621
2054	1,090,000	1,456,313	2,546,313	--	(95,541)	--	2,450,771
2055	1,160,000	1,382,738	2,542,738	--	(95,541)	--	2,447,196
2056	1,240,000	1,304,438	2,544,438	--	(95,541)	--	2,448,896
2057	1,325,000	1,220,738	2,545,738	--	(95,541)	--	2,450,196
2058	1,415,000	1,131,300	2,546,300	--	(95,541)	--	2,450,759
2059	1,510,000	1,035,788	2,545,788	--	(95,541)	--	2,450,246
2060	1,610,000	933,863	2,543,863	--	(95,541)	--	2,448,321
2061	1,720,000	825,188	2,545,188	--	(95,541)	--	2,449,646
2062	1,835,000	709,088	2,544,088	--	(95,541)	--	2,448,546
2063	1,960,000	585,225	2,545,225	--	(95,541)	--	2,449,684
2064	2,090,000	452,925	2,542,925	--	(95,541)	--	2,447,384
2065	2,235,000	311,850	2,546,850	--	(95,541)	--	2,451,309
2066	2,385,000	160,988	2,545,988	--	(2,643,304)	--	(97,316)
Total⁽¹⁾	\$34,115,000	\$67,266,766.9	\$101,381,767	(\$310,779)	(\$6,392,230)	(\$3,198,281)	\$91,480,476

(1) Total may not foot due to rounding.

(2) Project Fund earnings are assumed at 3%.

(3) Debt Service Reserve Fund earnings are assumed at 3.5%.

* Preliminary, subject to change.

THE BONDS

Description

The Bonds will be issued in the aggregate principal amounts, will mature on the dates and in the amounts, and will bear interest at the rates per annum set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Bonds will accrue from the date of delivery and will be calculated on the basis of a 360-day year of twelve 30-day months payable on June 1, 2026, and on each June 1 and December 1 thereafter until the earlier of maturity or redemption.

The Bonds will be initially issued in book-entry only form, as discussed under “BOOK-ENTRY ONLY SYSTEM” herein, but may be subsequently issued in fully registered form only, without coupons, and in any case, will be issued in authorized principal denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, except that a Bond held by an Owner that has become held in a denomination of less than \$100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Indenture; provided, however, that if the Bonds are rated “BBB-” or “Baa3” by a Rating Service (as defined herein), as applicable, or better, principal denominations shall be reduced to \$25,000 and any integral multiple of \$5,000 in excess thereof. The Bonds are also subject to certain purchase restrictions as set forth in “THE BONDS – Transfer Restrictions” herein.

The principal of, premium, if any, and interest on the Bonds are payable in lawful money of the United States of America. Amounts due on the Bonds will be paid by check mailed to the owner thereof at its address as it appears on the bond registration books on the fifteenth day of the calendar month immediately preceding the month in which such payment date occurs (the “Record Date”). Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of principal, premium, if any, and interest on Bonds will be paid by wire transfer (at the risk and expense of such registered owner) in immediately available funds to an account in the United States designated by such registered owner upon 15 days prior written notice before a Record Date to the Bond Trustee. Notwithstanding the foregoing, while the Bonds are held in book-entry-only form, interest, principal, and redemption premium, if any, will be paid through The Depository Trust Company (“DTC”) as described under “BOOK-ENTRY ONLY SYSTEM.”

Redemption Provisions

The Bonds are subject to redemption as described below:*

Optional Redemption. The Bonds are subject to optional redemption, prior to scheduled maturity, in whole or in part, on June 1, 2034, or on any date thereafter, at the option of the Borrower, upon written notice of the exercise of the option to redeem Bonds delivered to the Trustee by the Borrower at least thirty-five (35) days prior to the date fixed for redemption, at the following redemptions (expressed as a percentage of the principal amount of the Bonds to be redeemed), together with accrued interest thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis.

<i>Redemption Date</i>	<i>Redemption Price</i>
June 1, 2034 through and including May 31, 2035	102%
June 1, 2035 through and including May 31, 2036	101%
June 1, 2036 and thereafter	100%

Mandatory Sinking Fund Redemption. The Bonds maturing on June 1 in the years 20__, 20__, 20__ and 20__ are subject to mandatory sinking fund redemption in part prior to maturity with funds from the Debt Service Fund, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest

* Preliminary, subject to change.

thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis, on the dates, and in the principal amounts shown in the following schedules:

Bonds Maturing June 1, 20__

<i>Redemption Date</i>	<i>Principal Amount</i>

[†] Final Maturity.

Bonds Maturing June 1, 20__

<i>Redemption Date</i>	<i>Principal Amount</i>

[†] Final Maturity.

Bonds Maturing June 1, 20__

<i>Redemption Date</i>	<i>Principal Amount</i>

[†] Final Maturity.

Bonds Maturing June 1, 20__

Redemption Date

Principal Amount

[†] Final maturity.

The principal amount of the Bonds required to be redeemed pursuant to the operation of such mandatory redemptions is required to be reduced by the principal amount of any Bonds of the same maturity date which, at least 60 days prior to the mandatory sinking fund redemption date (i) have been purchased and delivered to the Bond Trustee for cancellation, (ii) have been purchased and canceled by the Bond Trustee with funds furnished for such purpose, in each case at a purchase price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof or (iii) have been redeemed pursuant to the optional redemption provision described above.

Mandatory Redemption Upon Determination of Taxability. The Bonds will be redeemed in whole prior to maturity on a date selected by the Borrower which is not more than 120 days following the occurrence of a Determination of Taxability at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis.

“Determination of Taxability,” as used herein, means a determination that the interest income on any of the Bonds does not qualify as interest excluded from gross income of the recipient thereof for the purpose of federal income taxation (“exempt interest”) under Section 103 of the Code (in the case of a private activity bond, for a reason other than a registered owner is or a former registered owner was a substantial user within the meaning of Section 147 of the Code), which determination will be deemed to have been made upon the first to occur of any of the following: (i) the date on which the Bond Trustee is notified by or on behalf of the Issuer that a change in law or regulation has become effective or that the Internal Revenue Service (the “IRS”) has issued any public or private ruling, or technical advice memorandum or that there has occurred a ruling or decision of a court of competent jurisdiction with or to the effect that the interest income on any of the Bonds does not qualify as such exempt interest; or (ii) the date on which the Borrower receives notice from the Bond Trustee in writing that the Bond Trustee has been notified by the IRS, or has been advised by the Issuer, the Borrower or any owner or former owner of a Bond that the IRS has issued a final determination (after the Issuer has exhausted all administrative appeal remedies and has determined not to pursue any remedies in a court of competent jurisdiction) which asserts that the interest on any of the Bonds does not qualify as such exempt interest.

Special Optional Redemption from Capital Campaign Receipts. The Bonds in an aggregate principal amount up to \$[_____] * are subject to special optional redemption on any date after January 1, 20[____],* from Campaign Receipts deposited into the Special Redemption Account of the Debt Service Fund (provided that any such redemption must be in Authorized Denominations) at a Redemption Price of 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date. Such special

* Preliminary, subject to change.

optional redemption shall be exercised upon the deposit by the Borrower of Campaign Receipts into the Special Redemption Account at least thirty-five (35) days prior to date fixed for redemption.

See “APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT – FINANCIAL AND OPERATING DATA – Fundraising” attached hereto.

Extraordinary Optional Redemption from Insurance or Condemnation Proceeds. The Bonds are subject to extraordinary redemption, at the option of the Issuer upon the request of the Borrower, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis, on any date, in the event the Project is damaged, destroyed, or condemned or threatened to be condemned, (i) in whole, if, in accordance with the terms of the Loan Agreement, the Project is not reconstructed, repaired or replaced upon the change or destruction thereof, from insurance or condemnation proceeds transferred from the Project Fund established pursuant to the Bond Indenture to the Debt Service Fund established pursuant to the Bond Indenture which, together with an amount required to be paid by the Borrower pursuant to the Loan Agreement, will be sufficient to pay the Bonds in full, or (ii) in part, after reconstruction, repair, or replacement of the Project in accordance with the terms of the Loan Agreement, from excess insurance or condemnation proceeds transferred from the Project Fund established pursuant to the Bond Indenture to the Debt Service Fund established pursuant to the Bond Indenture for such purpose.

Redemption in Part. If less than all of the Bonds of a stated maturity are called for redemption, the particular Bonds or portions thereof to be redeemed will be redeemed by the Bond Trustee in accordance with the written direction of the Borrower; provided, however, that portions of the Bonds will be redeemed in Authorized Denominations; and provided further, that no redemption will result in an outstanding Bond being held in less than an Authorized Denomination.

In case part, but not all, of a Bond is selected for redemption, the owner thereof or his attorney or legal representative must present and surrender the Bond to the Bond Trustee for payment of the redemption price, and the Issuer will cause to be executed, authenticated, and delivered to or upon the order of such owner or his attorney or legal representative, without charge therefor, in exchange for the unredeemed portion of the principal amount of such Bond so surrendered, a Bond of the same maturity and bearing interest at the same rate.

Notice of Redemption. At least 30 days prior to the date fixed for any redemption of the Bonds, but not more than 60 days prior to any redemption date, the Bond Trustee will cause a written notice of such redemption to be mailed by first class mail, postage prepaid, to the holders of the Bonds to be redeemed, at such holder's address appearing on the bond registration books on the date such notice is mailed by the Bond Trustee. Any redemption may be conditioned upon the occurrence of events occurring after the mailing of the notice of redemption. Any notice mailed as provided herein will be conclusively presumed to have been given, irrespective of whether or not received. By the date fixed for any such redemption, due provision is required to be made with the Bond Trustee and the Paying Agent for the payment of the redemption price, premium, if any, and interest accrued thereon. If such written notice of redemption is made, due provision for payment of the redemption price is made, and all conditions to the redemption have been fulfilled, all as provided above and in the Bond Indenture, the Bonds which are to be redeemed will become due and payable at the redemption price and after such date will cease to bear interest. Such Bonds will not be regarded as being Outstanding except for the right of the Owner to receive the redemption price out of the funds provided for such payment. If any Bond is not paid upon the surrender thereof for redemption, such Bond will continue to be Outstanding under the Bond Indenture and will continue to bear interest until paid at the interest rate borne by such Bond.

Defeasance. The Bonds may be discharged, or advance refunded in advance of their optional redemption date in any manner now or hereafter permitted by law. Upon any discharge, defeasance or refunding of all or a portion of the Bonds, such Bonds shall no longer be regarded to be outstanding or unpaid; provided, however, the Issuer will remain obligated for all payments, including the contribution of additional money or

securities to any defeasance escrow or trust account, if necessary to provide sufficient amounts to satisfy the payment obligations (but only from the sources described herein).

Transfer Restrictions

The Bonds are being offered only to “Qualified Institutional Buyers” (as defined in Rule 144A promulgated under the Securities Act) and “Accredited Investors” (as defined in Rule 501 of Regulation D of the Securities Act), executing an Investor Letter in the form included as APPENDIX I. Upon a transfer of a beneficial ownership interest in a Bond (including a transfer by the Underwriter pursuant to the initial sale of the Bonds), each purchaser of a beneficial ownership interest shall be deemed to have certified to the Bond Trustee and acknowledged, represented and agreed with the Borrower and the Underwriter that such purchaser is acquiring the Bond for its own account, and that it is a Qualified Institutional Buyer or an Accredited Investor.

The foregoing limitation shall cease to apply (without notice to or consent of any holders of the Bonds) upon and after receipt by the Bond Trustee from the Borrower of a rating letter evidencing the receipt of a rating letter by a Rating Service indicating that the Bonds are rated “BBB-” or “Baa3,” as applicable, or better. The Bond Trustee shall as soon as practicable, but in no event more than ten (10) calendar days after receipt by the Bond Trustee of such information, notify each holder of the Bonds that the restrictions set forth in the Bond Indenture requiring that the Beneficial Owners of the Bonds be “Qualified Institutional Buyers” or “Accredited Investors” shall be of no further force or effect.

“Rating Service” means each nationally recognized securities rating service which at the time has a credit rating assigned to the Bonds.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC’s book entry-only system has been obtained from DTC. The Issuer, the Borrower, the Bond Trustee, the Master Trustee, and Underwriter take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities 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 will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each 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 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the 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 or the Bond Trustee, on 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, the Bond Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Bond Trustee, 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 depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Bond Trustee. Under such circumstances, in the event that a successor 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-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND THE DTC BOOK-ENTRY SYSTEM HAS BEEN PROVIDED BY DTC. THE ISSUER, THE BORROWER, THE BOND TRUSTEE, THE MASTER TRUSTEE AND THE UNDERWRITER BELIEVES SUCH INFORMATION TO BE RELIABLE BUT TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF. NO REPRESENTATION IS MADE BY ANY SUCH PARTY AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

SECURITY FOR THE BONDS

General

The Bonds are special, limited obligations of the Issuer payable solely from revenues to be derived from the Loan Agreement, the Series 2026 Master Note, the money and investments held for the credit of the funds and accounts established by or under the Bond Indenture (except the Rebate Fund); and in certain events out of amounts secured through the exercise of the remedies provided in the Bond Indenture, the Loan Agreement and the Master Indenture.

NONE OF THE STATE, ANY STATE AGENCY OR ANY POLITICAL SUBDIVISION OF THE STATE, INCLUDING THE CITY, IS OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY STATE AGENCY OR POLITICAL SUBDIVISION OF THE STATE, INCLUDING THE CITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Master Notes and the Master Indenture

General. To evidence its obligations under the Loan Agreement, the Borrower will execute and deliver to the Bond Trustee, as the assignee of the Issuer, the Series 2026 Master Note in principal amount equal to the principal amount of the Bonds. Payments under the Series 2026 Master Note are scheduled to be made at the times and in the amounts required to pay debt service on the Bonds and will be credited against the Loan Payments (as defined in the Loan Agreement) required to be made by the Borrower under the Loan Agreement.

The Series 2026 Master Note is a duly authorized promissory note of the Borrower issued pursuant to and secured by the Master Indenture. Under the Master Indenture, all of the Master Notes are equally and ratably secured by the pledge and assignment of a security interest in the Trust Estate. See “APPENDIX E – FORM OF MASTER INDENTURE AND SUPPLEMENTAL MASTER INDENTURE” attached hereto.

Under the Master Indenture the Trust Estate consists of:

(i) all Gross Revenues (defined below) of the Borrower except and excluding all such items, whether now owned or hereafter acquired by the Borrower, which by their terms or by reason of applicable law would become void or voidable if granted, assigned, or pledged hereunder by the Borrower, or which otherwise may not be lawfully and effectively granted, pledged, and assigned by the Borrower, provided that the Borrower may subject to the lien hereof any such excepted property, whereupon the same shall cease to be excepted property;

(ii) all moneys and securities, if any, at any time held by the Master Trustee in the Revenue Fund or any other fund or account established under the terms of the Master Indenture or any Reserve Fund established pursuant to any supplement thereto and subject to any restrictions provided within any supplement hereto and any other fund or account established under the terms of the Master Indenture, or held by other banks or fiduciary institutions which are collaterally assigned to the Master Trustee as security for the Master Notes including the depository account specified in a Deposit Account Control Agreement and all securities, financial assets (as defined in Section 8-102(a)(9) of the UCC) and securities entitlements (within the meaning of Section 8-102(a)(17) of the UCC) and, with respect to Book-Entry Securities, in the applicable Federal Book-Entry Regulations, carried in or credited to such fund or account;

(iii) all accounts established by or under the Master Indenture, bank accounts holding any portion of the Gross Revenues, general intangibles, contract rights and related rights of the Borrower (each as defined in the UCC), whether now owned or hereafter acquired or arising and wherever located;

(iv) any and all other property of every kind and nature from time to time, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as additional security under the Master Indenture by the Borrower or by anyone on its behalf to the Master Trustee, subject to the terms thereof, including, without limitation, funds of the Borrower held by the Master Trustee as security for the Master Notes;

(v) any real and personal property subject to the lien of any Deed of Trust; and

(vi) proceeds of the foregoing, including cash proceeds and cash equivalents, products, accessions and replacements.

In addition, the Trust Estate under the Master Indenture includes all goods, documents, instruments, tangible and electronic chattel paper, letter of credit rights, investment property, accounts, deposit accounts, general tangibles (including payment intangibles and software), money and other items of personal property, including proceeds (as each such term is defined in the UCC) which constitute any of the property described in the paragraphs above.

“Gross Revenues” means, for any period of calculation, the total of all receipts, revenues, and income of the Borrower, including, without limitation, tuition, fees, charges, accounts receivable and rights to receive the same, and investment and other income of the Borrower for such period; provided, however, that no determination thereof shall take into account (a) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on Debt or Related Bonds, (b) any gains or losses resulting from the early extinguishment of Debt, the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses, (c) gifts, grants, bequests or donations and income thereon restricted as to use by the donor or grantor for a purpose inconsistent with the payment of debt service on Debt or Related Bonds or Master Notes (i.e., unrelated to the purposes for which such obligations were issued), (d) net unrealized gain (losses) on investments and Financial Products Agreements and (e) proceeds of borrowing.

Revenue Fund. The Master Indenture provides for the creation of a Revenue Fund, which contains a principal account and an interest account. Upon an Event of Default under the Master Indenture, the Borrower is required, within five business days of receipt of written notice from the Master Trustee in accordance with the Master Indenture, to deposit to the Revenue Fund, all of its Gross Revenues, including without limitation, amounts subject to the Deposit Account Control Agreement for which a notice of exclusive control has been delivered (except as otherwise provided in the Master Indenture), as well as any insurance and condemnation proceeds, beginning on the first day of such Event of Default until no payment default exists. The Master Indenture provides that the Master Trustee shall immediately withdraw and pay or deposit from the amounts on deposit in the Revenue Fund the following amounts in the order of priority indicated:

FIRST: to the Master Trustee any fees or expenses which are then due and payable;

SECOND: equally and ratably to the Holder of each instrument evidencing a Master Note on which there has been a default in the payment of principal of, premium, if any, or interest on the Master Notes, an amount equal to all defaulted principal of, premium, if any, and interest on such Master Note or, in the case of the acceleration of the Master Notes, equally and ratably to all Note Holders;

THIRD: to the Interest Account an amount necessary to accumulate in equal amounts the interest on the Master Notes due and payable on the next Interest Payment Date; provided, however, that to the extent available, each transfer made on the 5th Business Day before the end of the month immediately preceding each Interest Payment Date shall be in an amount to provide, together with amounts then on deposit in the Interest Account, the balance of the interest due on the Master Notes on the next succeeding Interest Payment Date. There shall be paid from the Interest Account equally and ratably to the Holder of each instrument evidencing a Master Note the amount of interest on each Master Note as such interest becomes due;

FOURTH: to the Principal Account the amount necessary to accumulate in equal monthly installments the principal of the Master Notes maturing or subject to mandatory sinking fund redemption on the next Principal Payment Date taking into account with respect to each such payment (i) any other money actually available in the Principal Account for such purpose and (ii) any credit against amounts due on each Principal Payment Date granted pursuant to other provisions of the Master Indenture; provided, however, that to the extent available, the transfer made on the 5th Business Day before the end of each month immediately preceding such Principal Payment Date shall be in an amount to provide, together with amounts then on deposit in the Principal Account, the balance of the principal maturing or subject to mandatory sinking fund redemption on such Principal Payment Date. There shall be paid from the Principal Account equally and ratably to the Holder of each instrument evidencing a Master Note the amount of principal payments due on each Master Note, whether at maturity or earlier mandatory redemption (other than by reason of acceleration of maturity or other demand for payment), as such principal becomes due;

FIFTH: to the Holder of any Master Note entitled to maintain a reserve fund for the payment of such Master Note, an amount sufficient to cause the balance on deposit in such reserve fund to equal the required balance in 12 equal monthly installments or as otherwise required by the applicable bond documents; and

SIXTH: to the Borrower, the amount specified in a request of the Borrower as the amount of ordinary and necessary expenses of the Borrower for its operations for the following month.

The Master Indenture provides that any balance remaining in the Revenue Fund on the day following the end of the month in which all Events of Default under the Master Indenture relating to the payment of the principal of, premium, if any, or interest or any other amount due on any Master Note have been cured or waived, will be paid to the Borrower at its depository bank upon request for deposit in a deposit account of the Borrower that is subject to a Deposit Account Control Agreement to be used for any lawful purpose.

Additional Debt. Under the Master Indenture, additional Long-Term Debt may be incurred under the Master Indenture if the following conditions have been met:

- (i) (A) delivery of an Officer's Certificate stating that, for the Borrower's most recently completed Fiscal Year preceding the issuance of the additional Debt, the Debt Service Coverage Ratio was at least 1.10 to 1.00; and (B) delivery of a certificate of a Management Consultant or certified public accountant selected by the Borrower setting forth projections that indicate that the Debt Service Coverage Ratio will be equal to at least 1.20 to 1.00 for each of the three consecutive full Fiscal Years beginning in the later of the first full Fiscal Year following the estimated date of completion and initial use of all revenue-producing facilities in the Related Project to be financed with such additional Debt and the first full Fiscal Year following the cessation of interest capitalization, based upon a certified written estimated completion date by the consulting engineer for such Related Project.

The report shall take into account, as applicable (i) the audited results of operations and verified enrollment of the Related Project for the most recently completed Fiscal Year and (ii) the projected enrollment for the Fiscal Year immediately following the completion of the Related Project, and shall assume that the proposed additional Debt shall have been outstanding for the entire year.

(ii) So long as the Trust Estate contains the lien of the Deed of Trust upon any real property of the Borrower, to the extent permitted by law, the Borrower shall obtain and provide to the Master Trustee (a) an endorsement of the title insurance policy issued in connection with the Debt increasing the coverage thereunder by an amount equal to the aggregate principal amount of the additional Debt and conforming to the requirements of the Master Indenture or (b) a new ALTA title insurance policy issued in connection with the additional Debt in the amount equal to the aggregate principal amount of the additional Debt and conforming to the requirements of the Master Indenture.

Under the Master Indenture, if additional Debt is being issued for the purpose of refunding any Outstanding Debt, the report required by clauses (i) and (ii) above will not apply so long as both the total and Maximum Annual Debt Service Requirements on all Outstanding Debt after issuance of the additional Debt will not exceed both the total and the Maximum Annual Debt Service Requirements on all Outstanding Debt prior to the issuance of such additional Debt.

The Master Indenture requires that, in connection with the issuance of any additional indebtedness under the Master Indenture for the acquisition of any interest in real estate, the Borrower deliver to the Master Trustee a deed of trust encumbering that property as security for the Borrower's obligations under the Master Indenture.

The Borrower reserves the right to issue and incur Short-Term Debt in an amount not to exceed 25% percent of Gross Revenues, so long as no default has occurred and is continuing under the Master Indenture.

The Borrower reserves the right to incur Debt that is not secured by a lien on the Trust Estate without limitation, so long as no default has occurred and is continuing under the Master Indenture. Such debt may be secured by a lien on all or any portion of assets financed therewith.

In addition, the Borrower may incur subordinate Debt without limitation, as set forth in the Master Indenture, so long as no default has occurred and is continuing under the Master Indenture.

Debt Service Coverage Ratio Covenant. Pursuant to the Master Indenture, the Borrower shall maintain a Debt Service Coverage Ratio for each Fiscal Year equal to at least 1.10 to 1.00, commencing with the Fiscal Year ending May 31, 2026 and annually thereafter until the Bonds have been paid in full. The Borrower's failure to achieve a Debt Service Coverage Ratio of 1.10 to 1.00 does not constitute an Event of Default if the Borrower timely engages (within thirty (30) days of submittal of the certificate set forth in the Loan Agreement describing such circumstance or, if such certificate is not timely submitted, within thirty (30) days of the date such certificate was required to be submitted) a Management Consultant, and such consultant timely prepares (within sixty (60) days of engagement) a report (to be delivered to the Borrower and the Master Trustee) with recommendations for meeting the required Debt Service Coverage Ratio and the Borrower, to the extent legally permissible, will consider any recommendations and, to the fullest extent practicable, adopt and carry out such recommendations. Notwithstanding the foregoing, if the Debt Service Coverage Ratio falls below 1.00 to 1.00, it shall constitute an Event of Default.

"Debt Service Coverage Ratio" for any period means the ratio of the Net Operating Revenues for such period to the sum of (a) the Annual Debt Service Requirements for all Debt, less (i) any capitalized interest payments under a Related Bond Indenture during such period and (ii) any interest earned on funds held under a Related Bond Indenture (other than funds held for purposes of making rebate payments in accordance with Section 148(f) of the Code) during such period available for the payment of Debt Service, and (b) Facility Lease Payments of the Borrower for such period (to the extent such Facility Lease Payments constitute Debt Service).

“Net Operating Revenues” means, for any period of determination thereof, the amount of excess (deficit) of Gross Revenues over Expenses for such period, plus Facility Lease Payments paid by the Borrower for such period and any gifts, grants, requests or donations and income thereon restricted as to use by the donor or grantor for the sole purpose of paying Expenses of the Borrower, but less: (a) unrealized pledges for such period to make a donation, gift, or other charitable contribution to the extent encumbered, as permitted herein, to secure the payment of Debt, and (b) insurance (other than business interruption) and condemnation proceeds.

Liquidity Covenant. The Borrower covenants to maintain an amount equal to 75 Days Cash on Hand (the “Days Cash on Hand Requirement”) for each Fiscal Year, to be tested on and as of May 31 of each year, commencing with the Fiscal Year ending May 31, 2026 and for each Fiscal Year thereafter.

If the Borrower’s Days Cash on Hand is less than the Days Cash on Hand Requirement for the prior Fiscal Year, the Borrower shall promptly employ at its sole cost and expense a Management Consultant to review and analyze the operations and administration of the Borrower, inspect the Borrower’s facilities, and promptly submit to the Borrower and the Master Trustee written reports, and make such recommendations, relevant to increasing the Days Cash on Hand of the Borrower as such Management Consultant deems appropriate.

So long as the Borrower is otherwise in full compliance with its obligations under the Bond Documents, including following, to the fullest extent practicable, the recommendations of the Management Consultant, it shall not constitute an Event of Default if the Days Cash on Hand for any testing date is less than the required number of days for the prior Fiscal Year, as applicable.

“Days Cash on Hand” means, as of any date of determination, the product obtained by multiplying three hundred and sixty-five (365) by the quotient determined by dividing: (a) all cash, cash equivalents, liquid investments and unrestricted marketable securities (valued at the lower of cost or market) of the Borrower which is not restricted as to use by the donor or grantor for a purpose inconsistent with the payment of debt service on Debt, Related Bonds or Notes as reported in the Borrower’s most recent audited financial statements, by (b) the total Expenses plus interest expense of the Borrower for the prior Fiscal Year.

Approval of Management Consultant. Upon the selection by the Borrower of a Management Consultant as required under the provisions of the Master Indenture, the Borrower will notify the Master Trustee of such selection. The Master Trustee is required to, as soon as practicable but in no case longer than five Business Days after receipt of notice, notify the holders of all Master Notes of such selection and request the Related Bond Trustee to notify registered holders of Related Bonds Outstanding of such selection. Such notice (the form of which shall be provided by the Borrower) will (i) include the name of the Management Consultant and a brief description of the Management Consultant, (ii) state the reason that the Management Consultant is being engaged including a description of the covenant(s) of the Master Indenture that require the Management Consultant to be engaged, and (iii) state that the Holder of the Related Bonds Outstanding will be deemed to have consented to the selection of the Management Consultant named in such notice unless such Holder submits an objection to the selected Management Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee or Related Bond Trustee within 15 days of the date that the notice is sent to the holders of the Related Bonds. No later than two Business Days after the end of the 15-day objection period, the Master Trustee is required to notify the Borrower of the number of objections. If 67% in interest of the aggregate principal amount of the Holders of the Related Bonds Outstanding have been deemed to have consented to the selection of the Management Consultant, the Borrower shall engage the Management Consultant within three Business Days. If 33% in interest or more in the aggregate principal amount of the Holders of the Related Bonds Outstanding have objected to the Management Consultant selected, the Borrower will select another Management Consultant, which may be engaged upon compliance with the procedures described herein.

The Bond Indenture

General. Under the Bond Indenture, the Issuer will grant to the Bond Trustee for the equal and ratable benefit of the holders of the Bonds, all of the Issuer’s right, title, and interest in and to, among other things, the

following: (i) the Loan Agreement, including all amounts payable thereunder, including but not limited to the Loan Payments thereunder, the Series 2026 Master Note, any and all security granted or held for the payment thereof, and the present and continuing right to bring actions and proceedings under the Loan Agreement or for the enforcement thereof and to do any and all things that the Issuer is or may become entitled to do thereunder, but excluding certain amounts agreed to be paid by the Borrower noted in such Loan Agreement (the “Issuer’s Unassigned Rights”), (ii) all money and investments held for the credit of the funds and accounts established by or under the Bond Indenture (except the Rebate Fund) as described in the Bond Indenture, and (iii) any and all property that may by delivery or by writing of any kind, be subjected to the lien and security interest of the Bond Indenture by the Issuer or by anyone on its behalf, subject to the limitations provided in the Bond Indenture. See “APPENDIX F – FORM OF BOND INDENTURE” attached hereto.

Debt Service Fund

The Bond Indenture establishes a Debt Service Fund for the Bonds. The money deposited into the Debt Service Fund, together with all investments thereof and investment income therefrom, will be held in trust and applied solely as provided in the Bond Indenture. The Bond Trustee is required to deposit to the credit of the Debt Service Fund immediately upon receipt: (i) amounts due and payable by the Borrower pursuant to the terms of the Loan Agreement and the Series 2026 Master Note, (ii) any other amounts required by the Bond Indenture, including transfers from the Debt Service Reserve Fund, and (iii) any other amounts delivered to the Bond Trustee for deposit thereto. On each Interest Payment Date, the Bond Trustee will withdraw money first from the Debt Service Fund to pay the principal and interest due on the Bonds.

Debt Service Reserve Fund

The Bond Indenture establishes the Logos Preparatory Academy Education Revenue Bonds Series 2026 Bonds Debt Service Reserve Fund (herein called the “Debt Service Reserve Fund”). The Debt Service Reserve Fund shall serve as a common reserve fund for the Bonds. On the Closing Date there shall initially be deposited in the Debt Service Reserve Fund from the proceeds of the Bonds an amount sufficient to cause the amount on deposit therein to equal the Reserve Fund Requirement, as specified in the Borrower Order to authenticate and deliver the Bonds. The Debt Service Reserve Fund at all times shall be maintained at an amount equal to the Reserve Fund Requirement. Amounts on deposit in the Debt Service Reserve Fund shall be invested pursuant to the Borrower Order. Interest and other income received on investments of moneys in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund promptly following valuation pursuant to the Bond Indenture so long as the Debt Service Reserve Fund following such transfer is funded to an amount equal to the Reserve Fund Requirement.

“Reserve Fund Requirement” means as of the Closing Date of the Bonds, an amount equal to the lesser of (i) 10% of the “Issue Price” of all Bonds, (ii) 1.25 times the average Annual Principal and Interest Requirements of all Bonds, or (iii) the maximum annual principal and interest requirements of all Bonds.

If the Bond Trustee receives notification from the Bond Trustee that there are insufficient funds in the Debt Service Fund to pay the Debt Service on the Bonds by 12:00 noon (Central Time) two Business Days prior to any Interest Payment Date, the Bond Trustee shall immediately transfer from the Debt Service Reserve Fund to the Bond Trustee for deposit into such deficient Debt Service Fund, amounts necessary to make such payments.

If the amount in the Debt Service Reserve Fund is less than the Reserve Fund Requirement because the Bond Trustee has applied funds in the Debt Service Reserve Fund in accordance with the paragraph above, the Bond Trustee shall promptly notify the Borrower in writing that a deficiency in the Debt Service Reserve Fund exists, and the Borrower shall, as provided in the Loan Agreement, (1) within thirty (30) days of receipt of such notice pay to the Bond Trustee the full amount needed to restore the amount in the Debt Service Reserve Fund to the Reserve Fund Requirement or, (2) at the Borrower’s option, in six (6) consecutive equal monthly installments, the first of which shall be made within thirty (30) days from the date of the withdrawal, pay such

deficiency to the Bond Trustee for deposit into the Debt Service Reserve Fund to restore the amount in the Debt Service Reserve Fund to equal the Reserve Fund Requirement; provided that if any additional withdrawal occurs prior to the restoration of any withdrawal, such additional withdrawal shall be restored in equal monthly installments over the remainder of the restoration period for the initial withdrawal. Moneys in the Debt Service Reserve Fund may be applied pursuant to the Borrower Order to pay Debt Service during the twelve (12) months immediately preceding and including the final Debt Service payment at maturity.

Repair and Replacement Fund

The Bond Indenture establishes the “Logos Preparatory Academy Education Revenue Bonds Series 2026 Repair and Replacement Fund” (herein referred to as the “Repair and Replacement Fund”). The money deposited in the Repair and Replacement Fund, including all money therein and all investments thereof, shall be held in trust and applied solely as provided in the Bond Indenture. The Bond Trustee shall deposit to the credit of the Repair and Replacement Fund immediately upon receipt, so long as the Bonds are Outstanding, amounts received by the Borrower pursuant to the Loan Agreement equal to one-sixtieth (1/60) of the Repair and Replacement Fund Requirement, made on or before the 25th of each month, in equal monthly installments, commencing March 25, 2026, , until the amount in such fund is equal to the Repair and Replacement Fund Requirement.

The Bond Trustee shall disburse amounts in the Repair and Replacement Fund following receipt of and in accordance with a Requisition Certificate, in substantially the form of Exhibit B to the Bond Indenture to pay the costs of capital expenditures related to maintenance, improvements, and replacements required for the property, plant and equipment of the Borrower including, but not limited to replacement of equipment, replacement of any roof or other structural component, exterior painting and the replacement of heating, air condition, plumbing, and electrical equipment. The Bond Trustee shall disburse amounts in the Repair and Replacement Fund to pay or reimburse the Borrower for such costs no later than three (3) Business Days following receipt of and in accordance with a Requisition Certificate.

“Repair and Replacement Fund Requirement” means \$200,000, provided that, a Facilities Consultant shall review the Repair and Replacement Fund Requirement from time to time (but not less frequently than once every five years) commencing March 1, 2031. If such review indicates that the Repair and Replacement Fund Requirement should be changed, the Borrower shall implement such recommendations to the fullest extent feasible; and provided further that the Repair and Replacement Fund Requirement shall not be less than \$200,000.

No later than March 1, 2031, and each fifth anniversary thereafter, the Borrower will engage a Facilities Consultant who will, within 60 days of engagement, provide to the Borrower (copies of which will be provided to the Bond Trustee) a Facilities Consultant Report that includes recommendations as to any required change in the Repair and Replacement Fund Requirement to provide for the proper maintenance and upkeep of the Project. Within fourteen Business Days of its receipt of the Facilities Consultant Report, the Borrower will either (i) accept the recommendations of the initial Facilities Consultant and notify the Trustee in writing of the revised Repair and Replacement Fund Requirement, if applicable or (ii) engage and immediately accept the recommendations (which will be made within 60 days of such engagement) of a different Facilities Consultant in the event the recommendations outlined in the initial Facilities Consultant Report are deemed by the Borrower to be unreasonable or inconsistent with the Borrower’s operation and maintenance practices and notify the Trustee in writing of the revised Repair and Replacement Fund Requirement, if applicable.

“Facilities Consultant” means an Independent consulting firm selected the Borrower that specializes in managing and maintaining educational facilities of the type or types operated by the Borrower.

The Loan Agreement

General. The Bonds are payable from and secured in part by a pledge and assignment to the Bond Trustee of the Issuer's rights under the Loan Agreement and the rights of the Issuer to receive loan payments thereunder (excluding certain fees and expenses and certain indemnity payments payable to the Issuer). Pursuant to the Loan Agreement, the Borrower agrees to make Loan Payments sufficient to provide funds to make required payments of principal, premium, if any, and interest on the Bonds in full. See "APPENDIX G – FORM OF LOAN AGREEMENT" attached hereto.

Deed of Trust. The Borrower will execute and deliver a Deed of Trust, encumbering the New Campus, in favor of the Master Trustee for the benefit of the holders of the Master Notes. **Neither of the Non-Pledged Campuses are to be encumbered by the Deed of Trust or otherwise a source of security for the Master Notes or the Bonds.** See "APPENDIX H – FORM OF DEED OF TRUST" attached hereto.

CERTAIN RISK FACTORS

Investment in the Bonds involves substantial risks. The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exclusive listing of risks and other considerations which may be relevant to investing in the Bonds, and the order in which the following information is presented is not intended to reflect the relative importance of any such risks. Certain factors which could result in a reduction of revenues available to the Borrower and a corresponding reduction in payments made to the Issuer by the Borrower are discussed herein.

ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY UNSEEN AND UNCONTROLLABLE FACTORS, INCLUDING BUT NOT LIMITED TO, CHANGES IN GENERAL ECONOMIC CONDITIONS, CHANGES IN EMPLOYEE RELATIONS, CHANGES IN MANAGEMENT, CHANGES IN THE EMPLOYMENT STATUS OF PARENTS WHO ENROLL STUDENTS IN THE SCHOOL OPERATED BY THE BORROWER, AND INCREASED INFLATION, ALL OF WHICH COULD RESULT IN CHANGES IN, OR FAILURE TO EXECUTE, THE BORROWER'S PLANS AND RESULT IN INCREASED COSTS AND/OR LOWER THAN ANTICIPATED REVENUES.

See APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" attached hereto for more detailed information regarding the Borrower.

Caution Regarding Forward-Looking Statements

When used in this Limited Offering Memorandum and in any continuing disclosure by the Borrower, in the Borrower's press releases and in oral statements made by representatives of the Borrower, 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." 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 cautions readers not to place undue reliance on any such forward-looking statements. The Borrower advises readers that certain factors could affect the financial performance of the Borrower and could cause the actual results of the Borrower for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

Sufficiency of Revenues

The Bonds are payable solely from certain payments, revenues and other amounts derived by the Issuer pursuant to the Loan Agreement and the Series 2026 Master Note and are secured only by such revenues and a pledge of certain funds and accounts created under the Bond Indenture. Based on present circumstances, and based on its projections regarding enrollment and tuition, the Borrower believes it will generate sufficient revenues for payment of debt service on the Bonds. However, a substantial proportion of the Borrower's total

revenues has historically been derived from tuition and fee payments. No representation or assurance can be made that the Borrower will continue to generate sufficient revenues to make payments under the Master Notes and thus debt service on the Bonds and other bonds issued for the benefit of the Borrower.

Inability to Raise Tuition

While the Borrower has covenanted in the Master Indenture and Loan Agreement to maintain tuition and fees sufficient to maintain debt service coverage on the Bonds, general economic conditions, competition and other factors, including those attributable to pandemics or a recession, could prevent the Borrower from being able to raise its tuition and fees if and when needed. The inability to raise tuition and rates due to any of such factors could have an adverse effect upon the Borrower's ability to meet future debt service requirements.

Risk of Noncontinued Philanthropy or Grants

In the past, the Borrower has received income from unrestricted gifts and donations or grants to supplement operating revenues to finance operations and capital needs. Gifts, grants and donations are expected to continue. However, there can be no assurance that projections of this non-operating revenue will be realized or will not decrease, adversely affecting the financial condition of the Borrower.

Reliance on Projections of Growth

The Borrower has projected certain increases in its enrollment and tuition to pay projected operation costs and debt service on the Bonds, as well as debt service on future debt. The basis for such projections is the addition completion of the Project and the Borrower's projected enrollment increases. These projections may involve known and unknown risks, uncertainties, and other factors. Potential investors are cautioned that the actual results could differ materially from those set forth in the Financial Projections. While the Borrower believes its projections of growth are reasonable, such growth may or may not occur and may be affected by a variety of factors, including completion of the Project in a timely manner, operations and maintenance of the Project, and competition from other public or private schools in the areas where the Borrower operates the School. See "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" attached hereto.

Competition

Unlike school districts, the Borrower must attract students from other schools, both public and private, within the general area of the School. No students are required to attend the School, and students at the School may subsequently transfer to other public or private schools at will. There are numerous public and private schools and public schools in the immediate areas where the School is located, many of which may be closer to the homes of present or prospective students of the Borrower. Failure by the Borrower to provide quality facilities or academics at a level acceptable to students and their parents would presumably cause the Borrower to fail to attract or maintain students. There also can be no assurance that the Borrower will continue to attract and retain the number of students that are needed to generate revenues sufficient to pay the Master Notes and thus to make payment of debt service on the Bonds and any subsequent bond issues for the benefit of the Borrower.

Risks Associated with Schools

There are a number of factors affecting schools in general that could have an adverse effect on the Borrower's financial position and ability to make Loan Payments securing debt service on the Bonds. These factors include, but are not limited to, increasing costs of compliance with federal, State, or local regulatory laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety, and accommodating persons with disabilities; any unionization of the Borrower's workforce with consequent impact on wage scales and operating costs of the Borrower; and the ability to attract a sufficient number of tuition paying students and to attract and maintain faculty meeting appropriate standards. School operations also

present significant risks and operational and management issues not encountered in other enterprises. The Borrower's employees and volunteers are not immune from liability to the same extent as employees and volunteers of a school district, a potential investor should anticipate that, because the Borrower provides services to children, any failure in the Borrower's operation and management could result in liability risks to the Borrower which would not be present for other enterprises not engaged in providing such services.

Limited Assets of the Borrower

If the Borrower does not generate sufficient revenues to pay all of the Borrower's loan obligations and operating expenses, the Borrower may have no other source of funds to make such payments. Further, while the payments of debt service on the Bonds occur prior to payments of the Borrower's operating expenses, a failure to make such operating payments would presumably ultimately result in the inability of the Borrower to attract students or maintain sufficient revenues for payment of its Loan Payments securing payment of debt service on the Bonds.

No Taxing Power

Neither the Issuer nor the Borrower has taxing power.

Pledge of Gross Revenues to Master Trustee

Upon the occurrence of an Event of Default under the Master Indenture, the Master Trustee is entitled to, at the direction of the Holders of not less than 25% in principal amount of the Master Notes Outstanding, (i) issue a Notice of Exclusive Control under the Deposit Account Control Agreement, and (ii) collect and receive all of the Borrower's Gross Revenues to be applied as specified in the Master Indenture. While the Holders of not less than 25% in principal amount of Master Notes Outstanding are entitled to direct the Master Trustee in the exercise of remedies following an Event of Default, such percentage may be composed wholly or partially of the holders of master notes issued under the Master Indenture.

The Borrower has covenanted and agreed in the Master Indenture that if an Event of Default has occurred under the Master Indenture the Borrower will, without demand by the Master Trustee, deliver or cause to be delivered to the Master Trustee within five (5) Business Days from the date of receipt of written notice from the Master Trustee in accordance with the Master Indenture, deposit all of its Gross Revenues for credit to the Revenue Fund. If the Borrower were to fail to deliver such Gross Revenues, either before or after an Event of Default, the only remedy available to the Master Trustee and/or Registered Owners would be a suit against the Borrower to enforce the provisions of the Master Indenture.

Economic and Other Factors

Future economic and other factors may adversely affect the revenues and expenses of the Borrower and, consequently, the ability of the Borrower to make payments representing debt service on the Bonds. Among the factors that could have such adverse effects are: decreases in the number of students seeking to attend the School at optimum levels for each grade level; decline in the ability of the Borrower and its management to provide education desired and accepted by the population served; economic developments in the affected service area, including inflation and interest rates; decline of the reputation of the Borrower; competition from other educational institutions, including other private schools, charters schools and independent school districts; lessened ability of the Borrower to attract and retain qualified teachers and staff at salaries that permit payment of debt service and expenses; increased costs associated with technological advances; future claims for accidents or other torts at the School or environmental enforcement actions with respect to environmental conditions at the New Campus and the extent of insurance coverage for such claims; and the occurrence of natural disasters, such as wildfires.

Operating History; Projections

The Borrower's ability to make payments under the Master Notes representing debt service payments on the Bonds and other bonds issued for the benefit of the Borrower depends on its receipt of tuition payments from students. See "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" attached hereto for information regarding current and projected enrollment of the School. No assurance is given that such projections will be met, or that the number of students attending the School may not diminish in the future. The projections of revenues and expenses contained in "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" (the "Financial Projections") are based upon the number of students projected to be enrolled at the School and were prepared by the Borrower and have not been independently verified by any party other than the Borrower.

The Financial Projections do not constitute a "Certified Financial Forecast" prepared in accordance with generally accepted accounting principles. No feasibility studies have been conducted with respect to operations of the Borrower pertinent to the Bonds. The projections are "forward-looking statements" and are subject to the general qualifications and limitations described herein. The Underwriter has not independently verified the Financial Projections, and makes no representations nor gives any assurances that such Financial Projections, or the assumptions underlying such Financial Projections, are complete or correct. The Borrower is not aware of any facts that would make the Financial Projections, or the assumptions underlying such Financial Projections, misleading.

No assurance can be given that the results described in the Financial Projections will be achieved, or that there has been no change in underlying considerations since the date of this Limited Offering Memorandum. The Borrower does not intend to update the Financial Projections and, accordingly, there are risks inherent in using the Financial Projections in the future as they become outdated. The Financial Projections do not cover the entire period during which the Bonds may be outstanding.

THE BORROWER PREPARED THE PROJECTIONS BASED ON ASSUMPTIONS ABOUT FUTURE OPERATIONS OF THE NEW CAMPUS AND THE BORROWER, INCLUDING STUDENT ENROLLMENT AND EXPENSES. THERE CAN BE NO ASSURANCE THAT ACTUAL ENROLLMENT REVENUES AND EXPENSES WILL BE CONSISTENT WITH THE ASSUMPTIONS UNDERLYING SUCH PROJECTIONS. MOREOVER, NO GUARANTEE CAN BE MADE THAT THE PROJECTIONS OF REVENUES AND EXPENSES INCLUDED HEREIN WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE BECAUSE THERE CAN BE NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE PROJECTIONS' UNDERLYING ASSUMPTIONS. 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 OR OTHERWISE), EMPLOYEE RELATIONS, CHANGES IN TAXES, CHANGES IN APPLICABLE GOVERNMENTAL LAWS, RULES OR REGULATIONS, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN EDUCATION COMPETITION AND CHANGES IN LOCAL OR GENERAL ECONOMIC CONDITIONS. REFER TO "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" TO REVIEW THE PROJECTIONS, THEIR UNDERLYING ASSUMPTIONS, AND THE OTHER FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY FROM PROJECTED RESULTS. REFER TO "CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS LIMITED OFFERING MEMORANDUM" ON THE PAGE OPPOSITE THE INSIDE COVER OF THIS LIMITED OFFERING MEMORANDUM, FOR QUALIFICATION AND LIMITATIONS APPLICABLE TO FORWARD-LOOKING STATEMENTS.

Failure to Provide Ongoing Disclosure

In connection with the issuance of the Bonds, the Borrower will enter into a Continuing Disclosure Agreement, pursuant to Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. Failure to comply with the Continuing Disclosure

Agreements or the Rule may adversely affect the liquidity for the Bonds and their market price in the secondary market. See “CONTINUING DISCLOSURE AGREEMENT” herein and “APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT” attached hereto.

Infectious Disease Outbreak – COVID-19

An outbreak of disease or similar public health threat, such as the coronavirus (“COVID-19”) pandemic, or fear of such an event, could have an adverse impact on the financial condition and operating results of the Borrower.

The spread of COVID-19 had significant negative impacts throughout the world. The World Health Organization declared the COVID-19 outbreak to be a pandemic, and states of emergency were declared by the State and the United States. The purpose behind these declarations was to coordinate and formalize emergency actions and across federal, State and local governmental agencies, and to proactively prepare for the then expected wider spread of the virus. Although the states of emergency declared by the State and the United States were subsequently ended, those declarations and actions taken in conjunction therewith had serious economic and financial consequences for businesses, public schools, and other institutions. No assurance can be made that future pandemics or outbreaks of disease will not have adverse effects on the Borrower.

Restrictions on Use of New Campus; Reciprocal Easements

Pursuant to a Reciprocal Easement Agreement entered into between Logos Prep and Faith Lutheran in connection with the acquisition of the Faith Parcel (the “Reciprocal Easement Agreement”), and pursuant to a special warranty deed conveying title to the Bridge Parcel to Logos Prep, the New Campus may only be used in a manner that is for or in support of the operation of a house of worship on First Baptist’s and Faith Lutheran’s property, including an educational campus serving pre-kindergarten through twelfth grade. Also, for a period of ten (10) years after the acquisition of the Faith Parcel and the Bridge Parcel, the New Campus must only be operated and used as an educational campus serving pre-kindergarten through twelfth grades. Further, in connection with the prior capping of a prior industrial waste disposal site (see Appendix A attached hereto), use of some or all of the Site is restricted, may not be used for residential purposes, and ground water may not be extracted or used without requisite governmental approvals.

These restrictions on use are binding on Logos Prep and any successors in interest thereto in the New Campus, and may limit the ability of the Master Trustee to lease or sell the New Campus in the event it were to foreclose on the Deed of Trust.

Pursuant to the Reciprocal Easement Agreement, Logos Prep is obligated to provide for shared use and maintenance of a main entrance and a shared parking area of approximately 200 parking spaces. Additionally, pursuant to an easement agreement with First Baptist, Logos Prep has provided an easement to access and use a detention facility to be constructed on the Bridge Parcel and the development of playing fields on the Bridge Parcel.

First Baptist has the right to repurchase the Bridge Parcel if Logos Prep fails to commence construction of a multi-purpose playing field and a detention facility on the Bridge Parcel within 84 months of the date of Logos Prep’s acquisition of the Bridge Parcel, or fails to complete such improvements within 48 months after the date of commencement of such improvements, at a price equal to the original purchase price plus Logos Prep’s actual and documented out-of-pocket costs in connection with such construction and construction of the parking lot discussed above. In the event the Project were severely delayed or never completed for any reason, a repurchase of the Bridge parcel by First Baptist could have a negative impact on the operations of Logos Prep.

The construction of a multi-purpose playing field and detention facility are included in the budget and the scope of work of the Construction Contract being financed with proceeds of the Bonds. Logos Prep’s rights

and interest in the Construction Contract will be collaterally assigned to the Master Trustee in connection with the issuance of the Bonds.

The conditional use permit for the New Campus limits the number of students on the New Campus at any time to 536. Due to the School's operations and University-Model® staggered scheduling model, this limitation can accommodate a total enrollment of up to 976 students by implementing the staggered schedule described below, resulting in approximately half of the total student population being on campus on any given day. However, in the event of a foreclosure on the Deed of Trust by the Master Trustee, a successor school operator at the New Campus may be limited to an enrollment of 536 students if they do not operate with a staggered schedule. The Borrower believes that, with interior renovations to the New Campus, physical capacity could increase by approximately 10%; however, there can be no assurance that the City of Sugar Creek would increase the maximum enrollment, or that such improvements would be economically feasible to a successor tenant or owner.

Leasehold Interest in Non-Pledged Campuses

The Borrower currently operates the School at the Brooks Campus and the 59 Campus. The Borrower operates at the Brooks Campus pursuant to the Brooks Lease and at the 59 Campus pursuant to the 59 Campus Lease (as further described herein and in APPENDIX A attached hereto). Neither the Brooks Campus nor the 59 Campus will be encumbered by the Deed of Trust, and no interest in the Brooks Campus or 59 Campus is or may be pledged to secure any obligation in connection with the Bonds.

The current term of the 59 Campus Lease extends to May 31, 2027, with two extension options available to Logos Prep for a total of twelve additional months. Additionally, the Brooks Campus Lease allows the lessor thereunder to terminate the lease upon written notice of one full school year, and the 59 Campus Lease allows the lessor thereunder to terminate the lease with 180 days' written notice (provided that it will not terminate until after the expiration of the then-current school year).

In the event the Project is delayed and the construction of the New Campus is not completed prior to the expiration of the terms of, or prior termination of, such leases, and the Borrower is unable to extend the term of the 59 Campus Lease prior to its termination, the Borrower may have to identify alternative facilities.

Value of Land and Improvements; Values May Fluctuate

Under the Deed of Trust, the Borrower has granted to the Master Trustee a first lien on and security interest in the New Campus. If revenues produced by the Borrower are insufficient to make payments on the Master Notes representing debt service on the Bonds and to make payments on the Series 2026 Master Note, the Master Trustee may exercise its right to foreclose pursuant to the Deed of Trust.

There is no guarantee that the foreclosure value of the land and/or improvements will be adequate in the event of any foreclosure to pay defaulted and accelerated debt service on the Bonds. Additionally, the value of the land and improvements may be less than comparable commercial properties in the area, especially in light of the special nature of the Land and Improvements and their limited use.

The value of the New Campus at any given time will be directly affected by market and financial conditions which are not in the control of the parties involved in this transaction. At any time there may be a difference between the actual market value of the New Campus subject to the Deed of Trust and the principal amount of Master Notes outstanding under the Master Indenture, and that difference may be material and adverse to owners of the Bonds. In particular, it cannot be determined with certainty what the value of the property subject to the Deed of Trust would be in the event of foreclosure under the Deed of Trust. Real property values can fluctuate substantially depending on a variety of factors. There is nothing associated with the New Campus, which is intended for use as educational facilities, to suggest that their values would remain stable or would increase if the general values of property in the community were to decline.

There can be no assurance that the value of the New Campus will be sufficient to meet all remaining debt service requirements with respect to the Master Notes at the time of any foreclosure. In addition, the time necessary to institute and complete foreclosure proceedings would likely substantially delay receipt of funds from a foreclosure.

Inability to Liquidate or Delay in Liquidating the Project

An event of default gives the Master Trustee the right to sell the land and improvements pursuant to a sale under the Deed of Trust. Because the land and improvements constituting the New Campus are intended to be used solely for educational purposes of the Borrower, and the use of the New Campus is limited by certain restrictive covenants affecting the land, it may not be readily adaptable to other uses. See “—Restrictions on Use of New Campus” above. As a result, in the event of a sale of the land and improvements, the number of uses that could be made of the property, and the number of entities that would be interested in purchasing the land and improvements, could be limited, and the sale price could thus be affected negatively. The location of the land and improvements may also limit the number of potential purchasers.

Accordingly, a potential purchaser of the Bonds should not anticipate that a sale of the land and improvements could be accomplished rapidly or at all. Any sale of the land and improvements may require compliance with the laws of the State applicable thereto. Such compliance may be difficult, time-consuming, and/or expensive. Any delays in the ability of the Master Trustee to sell the land and improvements will result in delays in the payment of the Bonds.

The ability of the Master Trustee to sell the land and improvements to third parties, thereby liquidating the investment, would be limited as a result of the nature of the land and improvements and the restrictions described above. For these reasons, no assurance can be made that the amount realized upon any sale of the land and improvements will be fully sufficient to pay and discharge the Bonds. In particular, there can be no representation that the cost of the property included in the land and improvements constitutes a realizable amount upon any forced sale thereof.

Risk of Catastrophic Loss; Damage, Destruction or Condemnation

In the event a natural or man-made disaster, such as a hurricane, fire, earthquake, tornado, or war, destroyed one or more of the Borrower’s facilities (or significant outlying improvements), the revenues of the Borrower could be drastically reduced. Moreover, the market value of the property pledged under the Deed of Trust could also be drastically reduced.

While the Bonds are outstanding, the Borrower has agreed to insure or cause insurance to be carried for its buildings and contents, including the New Campus (during both the period of construction and the period subsequent to completion of the Project), against such losses and in such amounts as is customary for persons engaged in the same business as the Borrower and operating facilities similar to its buildings and other facilities, including the New Campus. The Borrower has additionally covenanted in the Loan Agreement and the Master Indenture to provide builder’s all risk extended coverage insurance (during construction, reconstruction, remodeling or repair, if applicable), coverage for buildings and contents, and general liability, comprehensive professional liability, workers’ compensation, cyber liability, business interruption and flood (if it is ever determined that any structures are located in a special flood hazard area). In the event that insurance proceeds from damage or destruction, or condemnation awards, with respect to the New Campus, the Loan Agreement requires transfer of such amounts to the Related Trustee to be held in trust and applied solely to the Related Trustee in accordance with the Bond Indenture to which such insurance or condemnation proceeds relate for use pursuant to such Bond Indenture and the Loan Documents for the New Campus.

As noted above, pursuant to the Master Indenture, the Borrower is required to maintain business interruption insurance to the extent such coverage is commercially available at a reasonable cost (as determined by the Borrower). The Borrower currently carries business interruption insurance coverage but expects to

increase the amount of such insurance coverage to an amount equal to the maximum annual debt service on the Bonds. However, there can be no assurance that such insurance will be able to be maintained at such level at a reasonable cost.

Nevertheless, there can be no assurance that any portion of the properties pledged to the Deed of Trust will not suffer losses for which insurance cannot be or has not been obtained or that the amount of any such loss, or the period during which the Borrower, as a result of damage or destruction to properties pledged to the Deed of Trust, cannot generate revenues, will not exceed the coverage of such insurance policies. There can be no assurance that the amount of such insurance required to be obtained or actually obtained will be adequate, or that the cause of any damage or destruction to the New Campus will be as a result of a risk which is insured. Further, there can be no assurance with respect to the ongoing creditworthiness of the insurance companies from which the Borrower obtains insurance policies. Even if insurance proceeds are available and the Borrower has rebuilt the New Campus, there could be a lengthy period of time during which there would be little or no revenues produced by operation of the New Campus, and such period could exceed the available revenues from business interruption insurance carried by the Borrower pursuant to the Master Indenture. Further, there can be no assurance that, in the event such revenues are insufficient for the purpose of rebuilding the New Campus, that any remaining portion of the property will generate revenues sufficient to pay debt service on the Bonds remaining outstanding.

Environmental Regulation

The New Campus is 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 such facilities, 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 facilities. Costs incurred with respect to environmental remediation or liability could adversely affect the Borrower's financial condition and its ability to generate revenues sufficient to pay debt service on the Bonds.

The Borrower obtained a Phase I Environmental Site Assessment with respect to the New Campus. According to the report, a controlled recognized environmental condition and a recognized environmental condition were revealed relating to historical industrial waste disposal activities at the Cite. A limited Phase II Environmental Site Assessment was also undertaken. The Phase I Environmental Site Assessment recommended that the owner(s) / operator(s) of the subject property should continue to follow directives issued by the Texas Commission on Environmental Quality in order to receive regulatory agency closure for documented releases, and the owner(s) / operator(s) of the subject property should continue to comply with the institutional / engineering controls imposed as a requirement of industrial waste disposal site closure.

The Borrower previously engaged a consultant to prepare a soil management plan, which was approved by the Texas Commission on Environmental Quality on December 2, 2025.

See "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT – THE PROJECT – Environmental Inspections" attached hereto for more information on the site assessments and soil management plan relating to the New Campus.

Construction Risks

Construction, installation and equipping of any capital improvement are subject to the risks of cost overruns and delays due to a variety of factors, including, but not limited to, delays in obtaining necessary permits, licenses and other governmental approvals, site difficulties, labor disputes, application of prevailing wage requirements, tariffs, delays in delivery and shortage of materials, adverse weather conditions, fire and other casualties and default by any of the Borrower, a contractor or subcontractor, environmental restrictions or similar unknown or unforeseeable contingencies. The occurrence of any of the foregoing could result in increases

in construction costs or considerable delays in, or the complete impossibility of, the completion of the New Campus.

The Borrower expects to receive a building permit from the City of Sugar Land prior to the expected issuance of a notice to proceed to the Contractor (as defined in APPENDIX A attached hereto). In the event that the issuance of a building permit is delayed, a delay in the construction of the Project could result. In the event the City of Sugar Land's issuance of a building permit requires any material changes to the design of the New Campus, an increase in the construction cost of the Project could increase. The Construction Contract requires that a notice to proceed be given by March 30, 2026; if a building permit is not received by such date, the GMP under the Construction Contract may be subject to change.

The GMP amount, as well as substantial completion and final completion dates, may be increased as a result of various events, including the increase in cost of materials and costs associated with force majeure events. As described in APPENDIX A attached hereto, the GMP (as defined therein) set forth under the Construction Contract for the construction of the New Campus includes a contingency of \$276,197, and the GMP includes an allowance for inflation and price escalation of \$355,000. Additionally, the Borrower will have an owner's contingency of \$500,000 funded with proceeds of the Bonds.

The Construction Contract requires the Contractor to provide payment and performance bonds in an amount equal to the GMP, as well as builder's risk "all-risk" property insurance. The GMP includes various allowances, as further described in Appendix A attached hereto; in the event any of these items exceed the allowance amount, the GMP amount may be increased accordingly.

Limitations on Appraisals

Appraisals are estimates of value and not an assurance of what any particular property would bring on sale. Appraisals also are subject to numerous other limitations set forth therein. Potential investors should not assume that the appraised values set forth in "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT – THE PROJECT – Appraisal" represent a reliable estimate of what the New Campus would bring in liquidation following an Event of Default.

The appraisal of the New Campus described in this Limited Offering Memorandum is only with respect to the "as-is" condition of the New Campus, and did not take into account the improvements and renovations expected to be completed as part of the Project financed with proceeds of the Bonds.

Key Personnel

The Borrower's curriculum, educational philosophy and operations depend on the vision and commitment of a few, key personnel who comprise the senior leadership of the Borrower. Loss of any such key personnel could adversely affect the Borrower's growth plans, operations, ability to attract and retain students and ultimately its financial results. For more information regarding these individuals and other of the Borrower's key personnel, see "APPENDIX A – LOGOS PREPARATORY ACADEMY AND THE PROJECT" attached hereto.

Special, Limited Obligations

The Bonds are special, limited obligations of the Issuer payable solely from revenues to be derived by the Issuer under the Loan Agreement, the Series 2026 Master Note, all money and investments held for the credit of the funds and accounts established by or under the Bond Indenture (except the Rebate Fund), and in certain events out of amounts secured through the exercise of the remedies provided in the Bond Indenture, the Loan Agreement and the Master Indenture. See "SECURITY FOR THE BONDS" herein.

The Bonds will never be payable out of any funds of the Issuer except with such revenues and in such amounts described above. NONE OF THE STATE, ANY STATE AGENCY OR ANY POLITICAL SUBDIVISION OF THE STATE, INCLUDING THE CITY, IS OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY STATE AGENCY OR POLITICAL SUBDIVISION OF THE STATE, INCLUDING THE CITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Limited Remedies After Default

Remedies available to registered owners of Bonds in the event of a default by the Issuer on its obligations under the Bonds or the Bond Indenture or by the Borrower under the Loan Agreement or the Master Indenture are limited to the terms of such instruments, and may prove to be expensive, time-consuming, and difficult to enforce. Further, as noted above, the Bonds are special and limited obligations of the Issuer and the existence of any remedy does not guarantee sufficient assets of the Borrower pledged to payment of the Master Notes to secure such payment. See “Special, Limited Obligations” above.

Remedies with respect to foreclosure under the Deed of Trust for the benefit of the beneficiaries thereof may be further limited by statutory limitations on foreclosure, including the right of redemption of foreclosed property granted to debtors under the Texas Constitution.

The enforceability of the rights and remedies of the registered owners may further be limited by laws relating to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors. See “—Potential Effects of Bankruptcy” below.

Potential Effects of Bankruptcy

As is true with many entities which issue debt, there is a risk that the Issuer may file for bankruptcy and afford itself the protection of the federal Bankruptcy Code. In that case, the Issuer would receive the benefit of the automatic stay and creditors, such as the registered owners of the Bonds, would not be able to pursue their remedies against it without the permission of the Bankruptcy Court. The Issuer would also have the right to reorganize and adjust its debts with the approval of the Bankruptcy Court. While the relevant law on this point is not clear, it may be possible for the Issuer to be forced into involuntary bankruptcy by one or more creditors. A bankruptcy filing by or against the Issuer could adversely affect the receipt of principal of and interest on the Bonds.

Similarly, there is a risk that the Borrower may file for bankruptcy and afford itself the protection of the federal Bankruptcy Code. In that case, the Borrower would receive the benefit of the automatic stay and creditors, such as the registered owners of the Bonds, would not be able to pursue their remedies against it without the permission of the Bankruptcy Court. The Borrower would also have the right to reorganize and adjust its debts with the approval of the Bankruptcy Court. So long as the Borrower is a nonprofit corporation, it cannot be forced into involuntary bankruptcy by one or more creditors even if it is properly characterized as a corporate debtor. A bankruptcy filing by the Borrower could adversely affect the receipt of principal of and interest on the Bonds.

Certain Matters Relating to Enforceability of the Master Indenture

The obligations of the Borrower under the Master Notes will be limited to the same extent as the obligations of debtors typically are affected by bankruptcy, insolvency and the application of general principles of creditors’ rights and as additionally described above.

The obligations described herein of the Borrower to make payments of debt service on Master Notes issued under the Master Indenture (including transfers in connection with voluntary dissolution or liquidation)

may not be enforceable to the extent enforceability may be limited by applicable bankruptcy, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights and by general equitable principles.

Limitation on Security

The lien granted under the Deed of Trust provides limited security. Property that is subject to the Deed of Trust consists of educational facilities. Consequently, it could be difficult to find a buyer or lessee for the property, and, upon default, the Master Trustee may not obtain an amount equal to the aggregate liabilities of the Borrower (including liabilities in respect of the Bonds then outstanding) from the sale or lease of the property, whether pursuant to a judgment against the Borrower or otherwise.

The effectiveness of the security interest in the Borrower's Gross Revenues granted in the Master Indenture may be limited by a number of factors, including: (i) federal bankruptcy laws which would, among other things, preclude enforceability of the security interest as to revenues arising subsequent to the commencement of bankruptcy proceedings and limit such enforceability as to revenues arising prior to such commencement to the extent a security interest therein would constitute a voidable preference or fraudulent conveyance, (ii) rights of third parties in cash, securities and instruments arising in favor of the United States of America or any agency thereof, (iii) present or future prohibitions against assignment in any federal statutes or regulations, (iv) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction and rights of donors of property, (v) claims that might obtain priority if continuation statements or financing statement amendments are not filed in accordance with applicable laws, (vi) the rights of holders of prior perfected security interests in equipment and other goods owned by the Borrower and in the proceeds of sale of such property, and (vii) statutory liens. Accordingly, such security interest is expected to provide only limited value upon an event of default.

Cybersecurity

The Borrower relies on a technological environment to conduct its operations and potentially faces multiple cybersecurity threats including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of personal, private, or sensitive information, the Borrower may be the target of cybersecurity incidents that could result in adverse consequences to the Borrower and its Systems Technology, requiring a response action to mitigate the consequences. Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Borrower's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. Cybersecurity breaches could cause material disruption to the Borrower's finances or operations. The costs of remedying any such damage (subject to its current insurance coverage), or protecting against future attacks could be substantial, and insurance (if any can be obtained) may not be adequate to cover such losses or other resultant costs and expenses. Further, cybersecurity breaches could expose the Borrower to material litigation and other legal risks, which could cause the Borrower to incur material costs related to such legal claims or proceedings.

In 2025, Borrower was the target of a ransomware attack. Law enforcement was able to identify the party responsible and the Borrower did not incur any financial liabilities in connection with the attack. The Borrower has engaged a consultant to strengthen its Systems Technology, and carries insurance to protect against future financial liabilities related to cybersecurity attacks.

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 Borrower's management believes that the Non-Pledged Campuses and the New Campus will be secure, instances of breaches of campus security in the future may have a material adverse effect on the Borrower's operations and reputation, and may result in litigation, any

of which could adversely affect the Borrower's financial condition and its ability to pay debt service on the Bonds.

Extreme Weather Events; Natural Disaster

The State and the City of Sugar Land, Texas, are susceptible to the effects of extreme weather events and natural disasters, including floods, droughts, hurricanes, low or high temperature events, rain events and wildfires, which could result in negative economic impacts on the New Campus. The occurrence of such extreme weather events could damage the New Campus and the Borrower's operations, or the local infrastructure that provides essential services to the Borrower. 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. No assurances can be given that a future extreme weather event will not adversely affect the operations or financial condition of the Borrower.

Pursuant to the Master Indenture, flood insurance, in an amount not less than the replacement cost of the affected structure or structures, is required for a Related Project if it is ever determined that any structure in such Related Project is located in a Special Flood Hazard Area (as defined by federal regulations). The New Campus is not located in a Special Flood Hazard Area.

Additional Debt

The Master Indenture permits the issuance of additional Debt on a parity with the Master Notes if certain conditions are met, which could reduce the amount of revenues available to pay debt service on the Bonds. See "SECURITY FOR THE BONDS – Master Notes and the Master Indenture – Additional Debt" herein and "APPENDIX E – FORM OF MASTER INDENTURE AND THE SUPPLEMENTAL MASTER INDENTURE" attached hereto. The Borrower currently has no other Master Notes outstanding under the Master Indenture. The Borrower does not currently intend to issue additional Debt on a parity with the Master Notes over the next three years. The issuance of additional Debt and bonds may adversely affect the investment security of the Bonds.

Enforcement of Remedies

The remedies available to registered owners of the Bonds upon an Event of Default depend in many respects upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies provided in the Bond Indenture, the Loan Agreement and the Master Indenture may not be readily available, may be limited, and may prove to be expensive, time-consuming and difficult to enforce. Further, as noted above, the Bonds are special and limited obligations of the Issuer and the existence of any remedy does not guarantee sufficient assets of the Borrower pledged to payment of the Master Notes to secure such payment. See "– Special, Limited Obligations" above. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the sovereign powers of the State and the constitutional powers of the United States of America, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Remedies with respect to foreclosure under the Deed of Trust for the benefit of the beneficiaries thereof may be further limited by State constitutional and statutory limitations on foreclosure, including the right of redemption of foreclosed property granted to debtors under the Texas Constitution.

Litigation

Schools are often the subject of litigation. Actions alleging wrongful conduct that seek punitive damages often are filed against education providers such as the Borrower. Litigation may also arise from the corporate and business activities of the Borrower, such as 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 worker's compensation claims are not covered by insurance or other sources and, in whole or in part, may be a liability of the Borrower if determined or settled adversely. Although the Borrower maintains insurance policies covering educator's professional and general liability, management of the Borrower is unable to predict the availability, cost or adequacy of such insurance in the future. There is no known litigation pending or threatened against the Borrower as of the date of this Limited Offering Memorandum. Additionally, management of the Borrower has no knowledge of any litigation threatened against the Borrower, (i) which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale and delivery, or (ii) which would, if adversely determined, cause any material adverse change in the financial conditions of the Borrower.

Tax-Exempt Status of the Bonds

The Code imposes a number of requirements that must be satisfied in order for interest on state and local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds, limitations on the investment earnings of bond proceeds prior to expenditure, a requirement that certain investment earnings on bond proceeds be paid periodically to the United States, and a requirement that issuers file an information report with the IRS. The Borrower has agreed that it will comply with all such requirements. Failure to comply with the requirements stated in the Code and related regulations, rulings, and policies may result in the treatment of the interest on the Bonds as taxable. Such adverse treatment may be retroactive to the date of issuance. See "TAX MATTERS" herein.

The IRS has a subdivision that is specifically devoted to tax-exempt bond compliance; and it is possible that the Bonds may be audited. The Borrower has not sought to obtain a private letter ruling from the IRS with respect to the Bonds, and the opinion of Bond Counsel is not binding on the IRS. There is no assurance that any IRS examination of the Bonds will not adversely affect the market value of the Bonds. See "TAX MATTERS" herein.

If a Determination of Taxability (as defined in the Bond Indenture) were to occur, the Bonds would be subject to mandatory redemption, as a whole and not in part, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date not more than 120 days following receipt of notice by the Bond Trustee of such determination, subject to certain conditions and notice requirements. See "THE BONDS – Redemption Provisions – *Mandatory Redemption Upon Determination of Taxability*" herein.

Proposed Tax Legislation

Tax legislation, administrative actions taken by tax authorities, and court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or state income taxation, or otherwise prevent the beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. For example, future legislation to resolve certain federal budgetary issues may significantly reduce the benefit of, or otherwise affect, the exclusion from gross income for federal income tax purposes of interest on all state and local obligations, including the Bonds. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) could affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and its impact on their individual situations. Bond Counsel expresses no opinion regarding any pending or proposed federal or State legislation, regulations or litigation and its impact.

Tax-Exempt Status of the Borrower

The tax-exempt status of the Bonds presently depends upon maintenance by the Borrower of its status as an organization described in Section 501(c)(3) of the Code. The maintenance of this status depends on compliance with general rules regarding the organization and operation of tax-exempt entities, including

operation for charitable and educational purposes and avoidance of transactions that may cause earnings or assets to inure to the benefit of private individuals, such as the private benefit and inurement rules.

The Subcommittee on Oversight and Investigation of the Committee on Ways and Means of the U.S. House of Representatives has held public hearings on the issue of unfair competition between nonprofit and for-profit organizations. Similar hearings have been conducted by certain state legislative bodies. These hearings have focused on the need for changes in the law relating to the taxation of nonprofit organizations in connection with revenue producing activities in which they are engaged. In addition, taxing authorities in certain state and local jurisdictions have recently sought to impose or increase taxes related to the properties and operations of nonprofit organizations, particularly where such authorities have been dissatisfied with the amount of service provided to indigent persons. There can be no assurance that future changes in the law, rules, regulations, and policies relating to the taxation of nonprofit organizations will not have a material adverse effect upon the revenues of the Borrower or the Borrower.

Tax-exempt organizations are subject to scrutiny from and face the potential for sanctions and monetary penalties imposed by the IRS. One primary penalty available to the Service under the Code with respect to a tax-exempt entity engaged in inurement or unlawful private benefit is the revocation of its tax-exempt status. Loss of tax-exempt status by the Borrower could result in loss of tax exemption of the Bonds and defaults in covenants regarding the Bonds and other obligations would likely be triggered. Loss of tax-exempt status by the Borrower could also result in substantial tax liabilities on its income. For these reasons, loss of tax-exempt status of the Borrower could have material adverse consequences on the financial condition of the Borrower.

With increasing frequency, the IRS has imposed substantial monetary penalties and future charity or public benefit obligations on tax-exempt entities, as well as requiring that certain transactions be altered, terminated, or avoided in the future and/or requiring governance or management changes. These penalties and obligations typically are imposed on the tax-exempt organization pursuant to a “closing agreement,” a contractual agreement pursuant to which a taxpayer and the IRS agree to settle a disputed matter. Given the exemption risks involved in certain transactions, the Borrower may be at risk for incurring monetary and other liabilities imposed by the IRS. These liabilities could be materially adverse.

Less onerous sanctions, referred to generally as “intermediate sanctions,” have been enacted that focus enforcement on private persons who transact business with an exempt organization rather than the exempt organization itself, but these sanctions do not replace the other remedies available to the IRS, as mentioned above.

The Borrower may be audited by the IRS. Because of the complexity of the tax laws and the presence of issues about which reasonable persons can differ, an audit by the IRS could result in additional taxes, interest, and penalties. Such an audit ultimately could affect the tax-exempt status of the Borrower, as well as the exclusion from gross income for federal income tax purposes of the interest on the Bonds and any other tax-exempt debt issued for benefit of the Borrower.

Religious Nature of the Borrower; Non-Qualified Use of Facilities Financed with Tax-Exempt Obligations

Religious Nature of the Borrower. Because of the Borrower’s religious nature, bonds issued for its benefit may be subject to legal challenge on the basis that issuance of such bonds by a governmental entity such as the Issuer violates possible future legal interpretations of the “establishment of religion” clauses found in the United States Constitution and many state constitutions and upheld by applicable court decisions. If successful, such a future challenge could result in a court’s declaring the Bonds invalid as of their issuance date, with resulting loss of State and federal tax-exempt status from that date. The legal issues raised in this area are highly fact-specific. The Borrower believes that, if challenged, it could successfully defend itself, based upon its facts. However, there can be no assurances that a future challenge would not occur or that the Borrower would prevail in any such litigation.

Additionally, pursuant to certain easement agreements with Bridge Fellowship and Faith Lutheran, the Borrower's neighbors adjacent to the New Campus, which both currently operates churches, will have certain rights to use a portion of the New Campus on a going forward basis.

Pursuant to the Loan Agreement, the Borrower covenants that no part of the Project financed in whole or in part with proceeds of the Bonds will be used in a manner that violates State or federal law.

Future Legislation. Future legislation and regulations affecting non-profit schools, their tax-exempt status and educational institutions in general could adversely affect the operations of the Borrower.

Non-Qualified Use of Facilities Financed with Tax-Exempt Obligations. There are legal restrictions on the use of facilities financed with tax-exempt bonds such as the Bonds. For instance, at least 95% of net proceeds of qualified 501(c)(3) bonds (such as the Bonds) must be used to finance facilities owned and used by an exempt organization or governmental unit, and the use of bond-financed facilities must not be an unrelated trade or business of the owner.

The Borrower will make certain covenants in the Loan Agreement and the Tax Certificate relating to the qualified use of the Project financed with the Bonds. Failure to comply with such covenants could threaten the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

Risk of Failure to Comply with Certain Covenants

Failure of the Issuer to comply with certain covenants contained in the Bond Indenture or of the Borrower with certain covenants in the Loan Agreement on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactive to the date of original issuance. See "TAX MATTERS" herein.

State and Local Tax Exemption

It is possible that the loss by the Borrower of federal tax exemption also could result in the loss of the State or local tax exemption of the Borrower (or that may apply to the facilities owned by the Borrower, including the New Campus). Depending on the circumstances, such event could be adverse and material.

It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of nonprofit corporations. There can also be no assurance that future change of circumstances or changes in the laws and regulations of federal, State, or local governments will not materially adversely affect the operations and financial conditions of the Borrower by requiring the Borrower to pay income or local property taxes.

Unrelated Business Income

The IRS and State, county, and local tax authorities may undertake audits and reviews of the operations of tax-exempt organizations with respect to the generation of unrelated business taxable income ("UBTI"). The Borrower may participate in activities that generate UBTI. An investigation or audit could lead to a challenge that could result in taxes, interest, and penalties with respect to UBTI and, in some cases, ultimately could affect the tax-exempt status of the Borrower as well as the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds.

Risks Related to Tax Reform

From time to time there are legislative proposals in the United States Congress that, if enacted, could alter or amend the federal income tax matters with respect to the Bonds, adversely affect the market value or liquidity of the Bonds or affect the Borrower's income tax status. 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 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular lawsuit will be resolved, or whether the Bonds or the market value or liquidity thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. Purchasers of the Bonds should be aware that future legislative actions (including federal income tax reform) may retroactively affect such investors' federal tax liability. In all such events, the market value of the Bonds may be impacted and the ability of holders to sell the Bonds in the secondary market may be reduced.

No Rating

None of the Underwriter, the Borrower or the Issuer has applied to any credit rating agency for a rating on the Bonds. The Borrower is not required to seek a rating. There can be no guarantee that a rating for the Bonds will ever be obtained, nor can there be any guarantee with respect to the impact any such rating would have on the liquidity of the Bonds.

Secondary Market

THERE IS NO GUARANTEE THAT A SECONDARY TRADING MARKET WILL DEVELOP FOR THE BONDS. SUBJECT TO APPLICABLE SECURITIES LAWS AND PREVAILING MARKET CONDITIONS, THE UNDERWRITER INTENDS BUT IS NOT OBLIGATED TO MAKE A MARKET IN THE BONDS. THE BONDS MAY ONLY BE HELD BY AND TRANSFERRED TO BENEFICIAL OWNERS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT) AND "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501 OF REGULATION D OF THE SECURITIES ACT). EACH INITIAL BENEFICIAL OWNER OF THE BONDS SHALL BE REQUIRED TO EXECUTE AN "INVESTOR LETTER" SUBSTANTIALLY IN THE FORM OF APPENDIX I HERETO.

Risk of Loss from Nonpresentment upon Redemption

The rights of the registered owners of the Bonds to receive interest will terminate on the date, if any, on which the Bonds are to be redeemed pursuant to a call for redemption, notice of which has been given under the terms of the Bond Indenture.

Risk of Amendment of Bond Documents

Most of the provisions of the Master Indenture, Bond Indenture and Loan Agreement may be amended with the consent of the holders of a majority in principal amount of Outstanding Master Notes or the Bonds, as applicable. Other provisions of the Master Indenture, Bond Indenture and Loan Agreement may be amended with the consent of the holders of 80% in principal amount of Outstanding Master Notes or Bonds, as applicable.

If Master Notes are issued in an amount greater than the previously Outstanding Master Notes, such new Master Notes could cause the Master Indenture to be amended in material ways. Additionally, such amendment could result if the underwriter for the new bonds were to vote such bonds to direct the related bond trustee to vote such new Master Notes to amend the Master Indenture prior to the distribution of the new bonds to the purchasers.

Legal Opinions

The various legal opinions to be delivered concurrently with the delivery of the Bonds will express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein on the date thereof. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

In addition, such opinions will be qualified as to the enforceability of the various legal instruments by, among others, limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights generally.

LEGAL MATTERS

General

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds by the Issuer are subject to the approval of the Attorney General of the State and the legal opinion of Butler Snow LLP, Austin, Texas, Bond Counsel, in substantially the form of the opinions set forth in "APPENDIX C – FORM OF BOND COUNSEL OPINION." The opinion of Bond Counsel will express no opinion and make no comment with respect to the sufficiency of the security for, or the marketability of, the Bonds. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent upon the sale and delivery of the Bonds.

Certain legal matters will be passed upon for the Underwriter by its counsel, Hawkins Delafield & Wood LLP, San Francisco, California, whose legal fee for services rendered is contingent upon the sale and delivery of the Bonds. Certain legal matters will also be passed upon by Troutman Pepper Locke LLP, Houston, Texas, as counsel to the Issuer; by Butler Snow LLP, Austin, Texas, as special counsel to the Borrower; and by Hallett & Perrin, P.C., Dallas, Texas, as real estate counsel to the Borrower.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment of the transaction opined upon or of the future performance of parties to such transaction. Further, the various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

ABSENCE OF MATERIAL LITIGATION

The Borrower

In connection with the issuance of the Bonds, the Borrower will deliver a certificate or certificates which will state that, as of the date of issuance of the Bonds, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body pending or, to the best of its knowledge, threatened against or affecting the Borrower, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bond Indenture, the Master Indenture, the Loan Agreement, the Bond Purchase Agreement (as defined herein under the heading "UNDERWRITING") or this Limited Offering Memorandum, or the validity and enforceability of the Bond Indenture, the Loan Agreement, the Master

Indenture, the Bond Purchase Agreement, the Bonds, the Series 2026 Master Note or the operations (financial, operational or otherwise) of the Borrower.

The Issuer

In connection with the issuance of the Bonds, the Issuer will deliver a certificate or certificates which will state that, as of the date of issuance of the Bonds, there is no pending or, to the actual knowledge of the Issuer, threatened litigation seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, questioning or affecting the validity of the Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof, questioning or affecting the validity of the pledge or application of any money, revenues or security provided for the payment of the Bonds, questioning or affecting the right of the Issuer to enter into the Bond Indenture, the Loan Agreement or the Bond Purchase Agreement, or questioning or affecting the existence or powers of the Issuer.

TAX MATTERS

In the opinion of Butler Snow LLP, Bond Counsel (“Butler Snow” or “Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and continuing compliance with certain covenants by the Issuer and the Borrower, interest on the Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is further of the opinion that interest on the Bonds is not an item of tax preference 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) for certain corporations. Interest on the Bonds is taken into account in determining such adjusted financial statement income. Complete copies of the proposed forms of opinions of Bond Counsel are attached hereto as APPENDIX C.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the Borrower have covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) or any matters coming to Bond Counsel’s attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

The opinion of Bond Counsel relies on factual representations made by the Issuer, the Borrower and other persons, including but not limited to the Underwriter. These factual representations include but are not limited to certifications by the Borrower regarding the investment of proceeds of the Bonds and regarding use of property financed and refinanced with proceeds of the Bonds that is reasonably expected to occur during the entire term of the Bonds. Bond Counsel has not verified these representations by independent investigation. Bond Counsel does not purport to be an expert in financial analysis, financial projections or similar disciplines. Failure of any of these factual representations to be correct may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Bonds.

Butler Snow has relied upon representations of the Borrower concerning the Borrower’s “unrelated trade or business” activities as defined in Section 513(a) of the Code. As Bond Counsel, Butler Snow has not given any opinion or assurance concerning Section 513(a) of the Code and Butler Snow has not given and cannot give any opinion or assurance about the future activities of the Borrower, or about the effect of future changes to the Code, the applicable regulations or rulings, the interpretation thereof or resulting changes in enforcement

thereof by the IRS. Failure of the Borrower to be organized and operated in accordance with the IRS's requirements for maintenance of the Borrower's status as an organization described in Section 501(c)(3) of the Code, or to operate the facilities financed by the Bonds in a manner that is substantially related to the Borrower's charitable purpose under Section 513(a) of the Code, may result in interest payable with respect to the Bonds being included in gross income, possibly from the date of original issuance of the Bonds.

Certain requirements and procedures contained or referred to in the Bond Indenture, the Loan Agreement, the Master Indenture, the Tax Certificate of the Borrower, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Butler Snow.

Although Butler Snow is of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes to the extent described herein, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

Future legislative proposals, if enacted into law, may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent Beneficial Owners 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 Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation, as to which Bond Counsel expresses no opinion. Further, no assurance can be given that any action of the IRS, including but not limited to selection of the Bonds for examination, or the course or result of any IRS examination of the Bonds, or bonds which present similar tax issues, will not affect the market price for or marketability of the Bonds.

The opinion of Butler Snow 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 Bonds for federal income tax purposes. It is not binding on the IRS, or the courts, and is not a guarantee of result. Furthermore, Butler Snow cannot give and has not given any opinion or assurance about the future activities of the Issuer or the Borrower, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer and the Borrower have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, the Borrower, or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an examination by the IRS. Under current procedures, parties other than the Issuer, the Borrower and their appointed counsel, including the Beneficial Owners, may have little, if any, right to participate in the examination process. Moreover, because achieving judicial review in connection with an examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the Borrower legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for examination, or the course or result

of such examination, or an examination of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer or the Beneficial Owners to incur significant expense.

Original Issue Discount. The Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Limited Offering Memorandum (collectively, the “Discount Bonds”), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the Bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the “adjusted issue price” of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium. The Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium allocable to the Beneficial Owner. Beneficial Owners of Premium Bonds should consult with their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances, including with respect to the state and local consequences of the Premium Bonds.

Backup Withholding. As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from

gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding, or selling federally tax-exempt obligations.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Bonds. 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. 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 of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives, or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives, or litigation.

PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.

CONTINUING DISCLOSURE

The Borrower will execute and deliver a Continuing Disclosure Agreement pursuant to which it will, for the benefit of Beneficial Owners of the Bonds, annually compile and deliver to UMB Bank, National Association, as dissemination agent (the “Dissemination Agent”) certain financial information and operating data relating to its operations (a “Report”), and provide notices of the occurrence of certain enumerated events, if material. The Dissemination Agent will provide a Report to any person who requests it. Such reports and notices of listed events will be filed by the Borrower in accordance with the requirements of the Rule. A form of Continuing Disclosure Agreement is attached hereto as APPENDIX D.

The Borrower has not previously entered into a continuing disclosure undertaking pursuant to the Rule.

FINANCIAL STATEMENTS

The annual financial reports of the Borrower for the fiscal years ended May 31, 2025 and 2024, are included in this Limited Offering Memorandum in “APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE BORROWER FOR THE FISCAL YEARS ENDED MAY 31, 2025 AND 2024,” and have been audited by Dennison CPA, PC, to the extent and for the periods indicated in their report thereon. The Borrower is not aware of any facts that would make such financial statements misleading.

NO RATING

The Bonds are not rated. Neither the Borrower nor the Issuer has made or contemplates making application to any rating agency for the assignment of a rating to the Bonds. See “CERTAIN RISK FACTORS – No Rating” herein.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”). The Underwriter has agreed to purchase the Bonds at a purchase price of \$[] (being the aggregate principal amount of the Bonds of \$[], [plus/less] [net/aggregate] original issue [premium/discount] of \$[], and less an Underwriter’s discount of \$[]). The Bond Purchase Agreement pursuant

to which the Bonds are being purchased by the Underwriter (the “Bond Purchase Agreement”) also provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter may offer and sell the Bonds to certain dealers, institutional investors, banks, and others at prices different from the prices stated on the inside cover page of this Limited Offering Memorandum. The offering prices may be changed from time to time by the Underwriter. The Underwriter is not obligated to create a secondary market for the purchase or sale of the Bonds and there may, in fact, be no market for the Bonds depending upon prevailing market conditions, the financial condition or market position of firms who make up the secondary market and the financial position and results of operations of the Borrower. The Borrower has 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.

MISCELLANEOUS

Additional Information

The summaries of or references to constitutional provisions, statutes, resolutions, agreements, contracts, financial statements, reports, publications and other documents or compilations of data or information set forth in this Limited Offering Memorandum do not purport to be complete statements of the provisions of the items summarized or referred to and are qualified in their entirety by the actual provisions of such items, copies of which are either publicly available or available during the offering period upon request and the payment of a reasonable copying, mailing and handling charge from the Underwriter.

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Certification

The preparation of this Limited Offering Memorandum and its distribution have been authorized by the Borrower and the Issuer. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Borrower or the Issuer and any purchaser, owner or holder of any of the Bonds.

LOGOS PREPARATORY ACADEMY

By: _____
Board Chairman

APPENDIX A

LOGOS PREPARATORY ACADEMY AND THE PROJECT

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TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	A-1
Why Parents & Families Choose Logos Prep.....	A-4
Mission, Vision and Core Values	A-5
General Background on University-Model® Schools	A-5
THE PROJECT.....	A-7
General.....	A-7
Reciprocal Easements and Use Restrictions	A-12
Entitlements	A-13
Project Budget and Construction Contract	A-14
Environmental Inspection	A-17
Appraisal.....	A-18
GOVERNANCE AND ADMINISTRATION.....	A-19
Organizational Structure and Leadership Team	A-19
Board of Directors	A-19
School Administration	A-21
FACULTY AND STAFF	A-23
School Staffing and Student-Teacher Ratio.....	A-23
Teacher Retention.....	A-24
ADMISSIONS, ENROLLMENT, TUITION AND FINANCIAL AID.....	A-25
Admission.....	A-25
Enrollment	A-26
Tuition and Fees	A-28
Financial Assistance	A-29
Texas Education Freedom Account.....	A-30
ACADEMIC PROGRAMMING.....	A-31
Description of Programs	A-31
Athletic and Extracurricular Programming.....	A-33
Leadership Training & Development for Logos Prep Students.....	A-35
Awards and Recognition.....	A-36
Accreditation and Memberships	A-37
ACADEMIC PERFORMANCE.....	A-37
Graduation Requirements and College Placement.....	A-38
SERVICE AREA AND COMPETITION	A-39
Service Area.....	A-39
Competitive Schools.....	A-41
Sugar Land and Fort Bend County	A-43
FINANCIAL AND OPERATING DATA.....	A-45
Budgeting and Accounting	A-45
Historical Budget-To-Actual Results.....	A-46
Board Financial Policies	A-49
Historical Financial Performance	A-51
Fundraising	A-53
Outstanding Debt.....	A-55
Facility Leases	A-55
Litigation	A-56
FINANCIAL PROJECTIONS.....	A-56

APPENDIX A

LOGOS PREPARATORY ACADEMY AND THE PROJECT

Certain statements contained in this Appendix A reflect forecasts, projections and “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved. Actual results may differ materially from the forecasts described herein. In this respect, the words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe” and similar expressions are intended to identify forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in the Limited Offering Memorandum to which this Appendix A is attached (the “Limited Offering Memorandum”). Unless otherwise noted, all information, data, and projections in this Appendix A were furnished by Logos Prep (as defined herein). All capitalized terms in this Appendix A that are not defined herein will have such meaning as given to them in the forepart of the Limited Offering Memorandum.

INTRODUCTION

Logos Preparatory Academy (“Logos Prep”) is a Texas nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). Logos Prep operates a private non-denominational Christian school (the “School”) that opened its doors in 2006 with just over 200 students, and has since grown to serve approximately 623 students in the 2025-26 school year in a University-Model® school for kindergarten through twelfth grade. A University-Model® school is a blend of the aspects of traditional private and home schools in a family-friendly Christian environment that offers elementary through high school students a college preparatory education. Logos Prep expects to begin offering a pre-kindergarten program to families beginning in the 2028-29 school year.

Current Logos Prep Campuses. Logos Prep currently operates out of two facilities: (1) Primary School (serving grades K-2) located at 800 Brooks Street, Sugar Land, Texas (the “Brooks Campus”) and (2) Elementary School (serving grades 3-6) & Secondary School (serving grades 7-12) located at 13303 SW Freeway, Sugar Land, Texas (the “59 Campus” and, together with the Brooks Campus, the “Non-Pledged Campuses”).

The two Non-Pledged Campuses are located approximately four miles apart (an approximately ten minute commute with typical traffic conditions), and start times at the two campuses are staggered to allow parents to have students at both campuses.

New Consolidated Campus to Be Built at the Current Brooks Campus. As further described herein, Logos Prep will use a portion of the proceeds of the Bonds to finance and refinance the cost of the acquisition, construction, enlargement, extension, repair, renovation, or other improvement of land and buildings for a new school campus to be located upon an approximately 23.2-acre site situated near the southwest corner of the intersection of Brooks Street and Camelia Street within the City of Sugar Land, Texas, with the current address on Brooks Street, Sugar Land, Texas 77478, pending assignment by local authorities, which is expected to accommodate approximately 976 students (through staggered enrollment on a University-Model® schedule, as discussed herein) and replace the Non-Pledged Campuses beginning with the 2027-28 school year. For more information, see “THE PROJECT” herein.

The New Campus will be located immediately adjacent to the Brooks Campus, and will include the gymnasium that Logos Prep currently utilizes on the Brooks Campus. However, except for the gymnasium, none of the other space currently used by Logos Prep at the Brooks Campus will be acquired or included as part of the New Campus. Following the completion of the New Campus, Logos Prep will cease operating at the 59 Campus and in the classrooms that currently are used by Logos Prep at the Brooks Campus, and will consolidate all its operations at the newly developed New Campus (including the renovated gymnasium that is currently part of the Brooks Campus).

Lease Arrangements at the Current Logos Prep Campuses. Logos Prep has operated at the 59 Campus since August 2008. It currently operates at the 59 Campus pursuant to a License Agreement between Logos Prep and Sugar Creek Baptist Church, with a current lease expiration date of May 31, 2027, along with two extension options for a total of 12 additional months. The School has operated at the Brooks Campus since August 2014. It currently operates at the Brooks Campus pursuant to a School Lease Renewal Agreement between Logos Prep and Faith Lutheran Church of Sugar Land, with a current lease expiration date of May 31, 2027 (provided that, pursuant to the purchase and sale agreement pursuant to which Logos Prep acquired the Faith Parcel (as defined herein), Logos Prep has the right to continue using the Brooks Campus until the New Campus (as defined herein) is ready for occupancy).

Logos Prep's school year typically runs from the second week in August to the fourth week in May. Logos Prep currently pays \$7,413 per month for the use of the Brooks Campus and \$37,000 per month for the use of the 59 Campus (each for ten months of each year under the respective term). Some Logos Prep staff and families are church members of the Sugar Creek Baptist Church and Faith Lutheran Church of Sugar Land. See "OPERATING AND FINANCIAL INFORMATION – Facility Leases" herein. Logos Prep expects to complete and operate its new consolidated campus project (the "Project") by July 2027.

If the Project is delayed for any unforeseen reason, Logos Prep has an optional lease extension through May 31, 2028, and further believes that, based on its good working relationships with Sugar Creek Baptist Church that they could negotiate additional extensions of their current lease at the 59 Campus if necessary. Logos Prep may continue operating at the Brooks Campus until the completion of the Project.

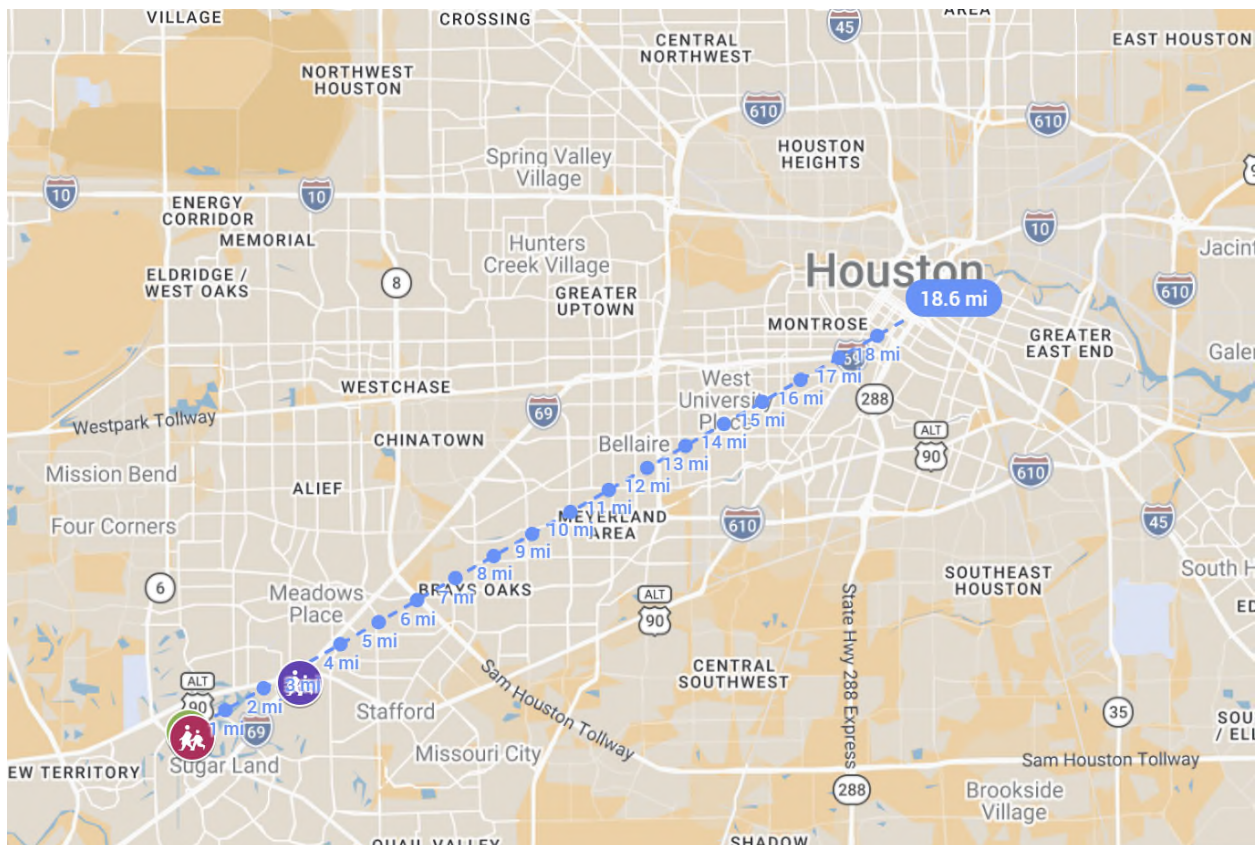
The following maps shows the location of the two current Non-Pledged Campuses, as well as the New Campus to be constructed with proceeds of the Bonds, in comparison to each other as well as their location related to the City of Houston.

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FIGURE 1
CAMPUS LOCATIONS
 Logos Prep



Note: The New Campus will be located immediately adjacent to the Brooks Campus, and will include the gymnasium that Logos Prep currently utilizes on the Brooks Campus. However, except for the gymnasium, none of the other space currently used by Logos Prep at the Brooks Campus will be acquired or included as part of the New Campus. Following the completion of the New Campus, Logos Prep will cease operating at the 59 Campus and in the classrooms that currently are used by Logos Prep at the Brooks Campus, and will consolidate all its operations at the newly developed New Campus.



New Campus
(Future PK-12)



Brooks Campus
(Currently K-2)



59 Campus
(Currently 3-12)

Why Parents & Families Choose Logos Prep

Logos Prep believes the key to success for a University-Model[®] school is the integration of a parentally guided, biblically grounded Christian faith and a sound, teacher-facilitated academic environment. Logos Prep believes the Bible gives parents the authority and responsibility for raising their children with the goal of becoming disciples of Jesus Christ. In a University-Model[®] education, that parental authority and responsibility, though not surrendered, is shared with a formal educational institution. Logos Prep assists, not supplants, parents in their work of training and educating their children.

The Logos Prep University-Model[®] allows students to attend traditional school classes, two to three days per week in the central classroom with Logos Prep professional educators. All learning concepts are taught by the professional educator in the central classroom. By policy of the Board of Directors, Logos Prep maintains a low student-to-teacher ratio (See “Faculty and Staff” herein). Each year, the administration seeks to ensure that actual student-to-teacher ratios remain below the limits established by the Board. When possible, classes are scheduled according to the following targets: 12:1 in Kindergarten; 16:1 in grades 1-5; 18:1 in grades 6-8; and 20:1 in grades 9-12. This low student-to-teacher ratio enables teachers to focus their attention on each student and for each student to feel noticed and nurtured by many professionally trained teachers in a supportive Christian environment. When not in the central classroom, students work with their learned material and teacher directed assignments in the satellite classroom under the supervision of a parent.

Logos Prep develops and implements academically challenging, college-preparatory courses that integrate a level of parental involvement into each student’s satellite classroom study/instruction. Employing teachers who are either certified or hold advanced degrees or experience in their area of expertise, Logos Prep

encourages and expects its students to learn the material assigned and provides regular feedback to both students and parents regarding the students' progress from both an academic and character perspective.

The University-Model® helps older Logos Prep students become accustomed to a traditional college schedule and prioritize their time more effectively. In the upper grades of Logos Prep, classes are set up with a course syllabus and reading assignments that closely align with what students can expect to experience in college. Additionally, the more flexible learning schedule enables students with extensive extracurricular activity commitments like competitive club athletics or advanced arts training to also pursue their passions without sacrificing their academics.

The success of the University-Model® and Logos Prep's program is shown by the very high college admissions rate (100% over the past 3 years) and college going rate (98% over the past 3 years). In addition, Logos Prep students perform well on college entrance exams. Over the past five years, Logos Prep students have averaged 24 on the ACT and 1256 on the SAT which are 22% and 26% above the state averages, respectively.

Logos Prep is designed for parents to take an active role in the oversight and implementation of their child's education. As the level of parental involvement progresses from being a "private tutor" in elementary, to a "guide for dependent study" in middle school, to a "course monitor" in high school courses, parents are expected to continue exercising loving and active responsibility for their children all the way through graduation. In partnering with parents in this way, Logos Prep integrates the home and school toward obtaining the common goal of discipleship and an academic preparation for college.

Mission, Vision and Core Values

The ultimate aim of Logos Prep is encapsulated in its Vision Statement, "Families and students making an impact for Christ." This is supported by the School's mission to partner with, strengthen and equip Christian families and students using biblical values for the glory of God.

The mission of Logos Prep emphasizes initiatives surrounding what the School holds at the core, in hopes of inspiring every member of the School community to not only embrace the six core values of Logos Prep, but to also closely evaluate what they hold core in their own lives. Logos Prep's core belief is that at the center of your life must be something immovable.

Logos Prep has six identified core values that are at the heart of everything it does:

- *Faith*
- *Family*
- *Community*
- *Integrity*
- *Excellence*
- *Discipleship*

General Background on University-Model® Schools

The National Association of University-Model Schools® (NAUMS, Inc.) is a global family of Christian school communities pursuing a philosophy and system of education called University-Model®. Logos Prep is part of a global network of University-Model® schools that was created in 1993. Currently, there are 90 schools nationwide that utilize the University-Model®. NAUMS, Inc. is a 501c3 nonprofit corporation that establishes and supports local University-Model® communities by imparting the vision, values, standards, systems, and organizational structures of the University-Model® in order to accomplish two foundational principles:

- to preserve and strengthen the God-ordained family relationship, and
- to offer Christian students the opportunity to achieve a high degree of academic excellence.

Guided by these objectives, NAUMS, Inc. equips the founders of new schools and supports the leaders of existing schools in the pursuit of academic excellence and quality instruction, established and lived out in the context of authentic Christian communities.

The first University-Model[®] school, Grace Preparatory Academy (“Grace Prep”) in Arlington, Texas, opened in 1993. Word of mouth about the model’s logic and effectiveness spread rapidly. By 2002, 11 more schools had opened under the tutelage of Grace Prep in various parts of the country—Georgia, California, Ohio, and elsewhere. That same year, the Grace Prep board organized the National Association of University-Model[®] Schools (NAUMS, Inc.) to provide continuing support for those existing schools and to promote the development of new University-Model[®] schools.

In 2005, NAUMS, Inc. was formally and separately established to serve as the permanent centerpiece of the University-Model[®] movement. By 2013, NAUMS, Inc. had grown to 71 schools in 19 states, including one in mainland China. By 2016, the number of schools expanded beyond 80. In 2017, the NAUMS, Inc. school association University-Model[®] Schools International (“UMSI”) was established, dedicated to the mission to “build dynamic University-Model[®] school communities worldwide.”

Logos Prep opened under the guidance of NAUMS, Inc., as a developing University-Model[®] school, and was certified as a University-Model[®] school in the 2007-08 school year.

The identity and integrity of this educational model are protected by the trademark “University-Model[®].” This trademark, approved by the U.S. Patent and Trademark Office in 2002, protect the nomenclature and all intellectual property of the corporation, including products, materials, the book Character-Driven College Preparation, and all other verbiage that is the property of the corporation. Derivatives of the trademark University-Model[®] are also exclusively the property of NAUMS, Inc. (i.e., “college-model,” “university school,” “university-style,” etc.).

Anyone who wishes to implement a University-Model[®] school must join NAUMS, Inc. by completing, signing, and submitting an appropriate member agreement. Logos Prep pays annual fees to NAUMS, Inc. in the amount of \$11,875 for the ongoing membership in the NAUMS, Inc. association and use of the University-Model[®] for the School.

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THE PROJECT

General

The Project includes the financing and refinancing the cost of the acquisition, construction, enlargement, extension, repair, renovation, or other improvement of land and buildings for a school campus located upon an approximately 23.2-acre site (the “Site”) situated in the southwest corner of the intersection of Brooks Street and Camelia Street within the City of Sugar Land, Texas, with the current addresses assigned of 800 and 802 Brooks Street, Sugar Land, Texas 77478 (the “New Campus”), including:

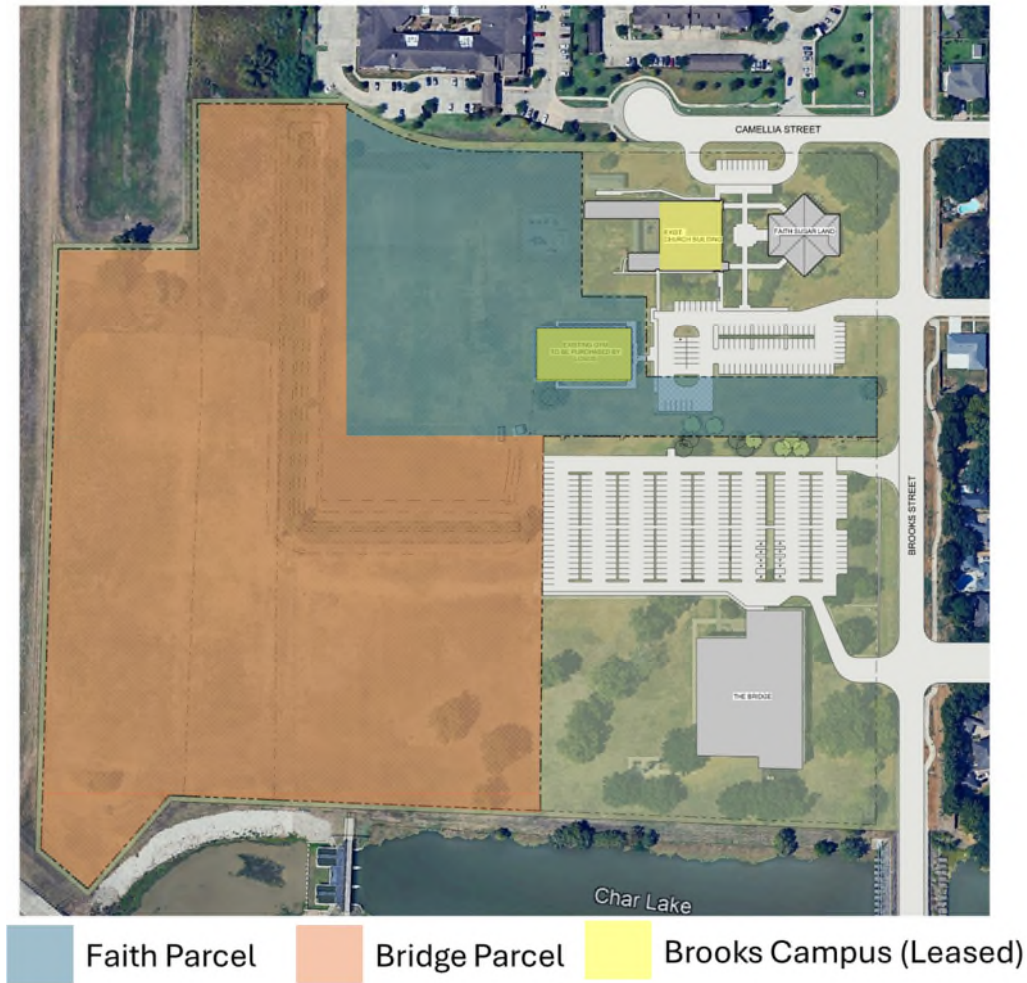
- New approximately 60,000 square-foot, three-story classroom and administrative building,
- New approximately 4,300 square-foot one-story cafeteria building,
- New open air pavilion, and
- Renovation of an existing 14,000 square-foot gymnasium, athletic fields, related facilities, improvements, fixtures, furnishings, equipment, site improvements.

Following the completion of the New Campus, which is expected to be completed in July 2027, Logos Prep intends to replace the Non-Pledged Campuses (except for the existing gymnasium, which is to be part of the New Campus) with, and consolidate and relocate the School to, the New Campus beginning with the 2027-28 school year. The New Campus is expected to accommodate up to 976 students. Stabilized enrollment for Logos Prep is projected to be approximately 880 students (2033-34 school year) under a University-Model[®] program.

The New Campus will be constructed upon two adjacent parcels of land owned by Logos Prep: (i) an approximately 17.2 acre parcel of land (the “Bridge Parcel”), which Logos Prep acquired from First Baptist Church, Sugar Land, Texas, d/b/a The Bridge Fellowship (“Bridge Fellowship”) on January 27, 2026, for a purchase price of \$6,052,017, and (ii) an approximately 6.0 acre parcel of land (the “Faith Parcel”) and 14,000 square foot gymnasium, which Logos Prep acquired from Faith Lutheran Church of Sugar Land (“Faith Lutheran”) on January 27, 2026, for a purchase price of \$4,056,000.

As shown on the map below, which shows the New Campus along with the portions that make up the Bridge Parcel and the Faith Parcel, along with the improvements that constitute the existing Brooks Campus. The New Campus will be located immediately adjacent to the Brooks Campus, and will include the gymnasium that Logos Prep currently utilizes on the Brooks Campus. However, none of the other classroom space currently used by Logos Prep at the Brooks Campus will be acquired or included as part of the New Campus.

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Logos Prep put a down payment (from existing cash reserves) of \$1,210,403 and financed the balance of the acquisition of the Bridge Parcel with proceeds of a loan from Bridge Fellowship, evidenced by a promissory note dated January 27, 2026, from Logos Prep to Bridge Fellowship, which is currently outstanding in the amount of \$4,841,614 (the “Bridge Loan”). The Bridge Loan bears interest at 6.75% and matures in February 2049. Logos Prep put a down payment (from existing cash reserves) of \$1,480,000 and financed the acquisition of the Faith Parcel with proceeds of a loan from Faith Lutheran, evidenced by a promissory note dated January 28, 2026, from Logos Prep to Faith, which is currently outstanding in the amount of \$2,576,000 (the “Faith Loan”). The Faith Loan bears interest at 6% and matures in December 2040. There is no prepayment penalty on either loan, and the loans are prepayable at any time. Approximately \$7,417,614* of the proceeds of the Bonds will be used by Logos Prep to prepay the outstanding Bridge Loan and Faith Loan in full concurrently with the issuance of the Bonds.

* Preliminary, subject to change.

SITE ACQUISITION

	<i>Bridge Parcel</i>	<i>Faith Parcel</i>	<i>Total Site</i>
Purchase Price	\$6,052,017	\$4,056,000	\$10,108,017
Less: Down Payment ⁽¹⁾	(1,210,403)	(1,480,000)	(\$2,690,403)
Bridge Loan and Faith Loan ⁽²⁾	4,841,614	2,576,000	\$7,417,614

⁽¹⁾ From existing cash reserves.

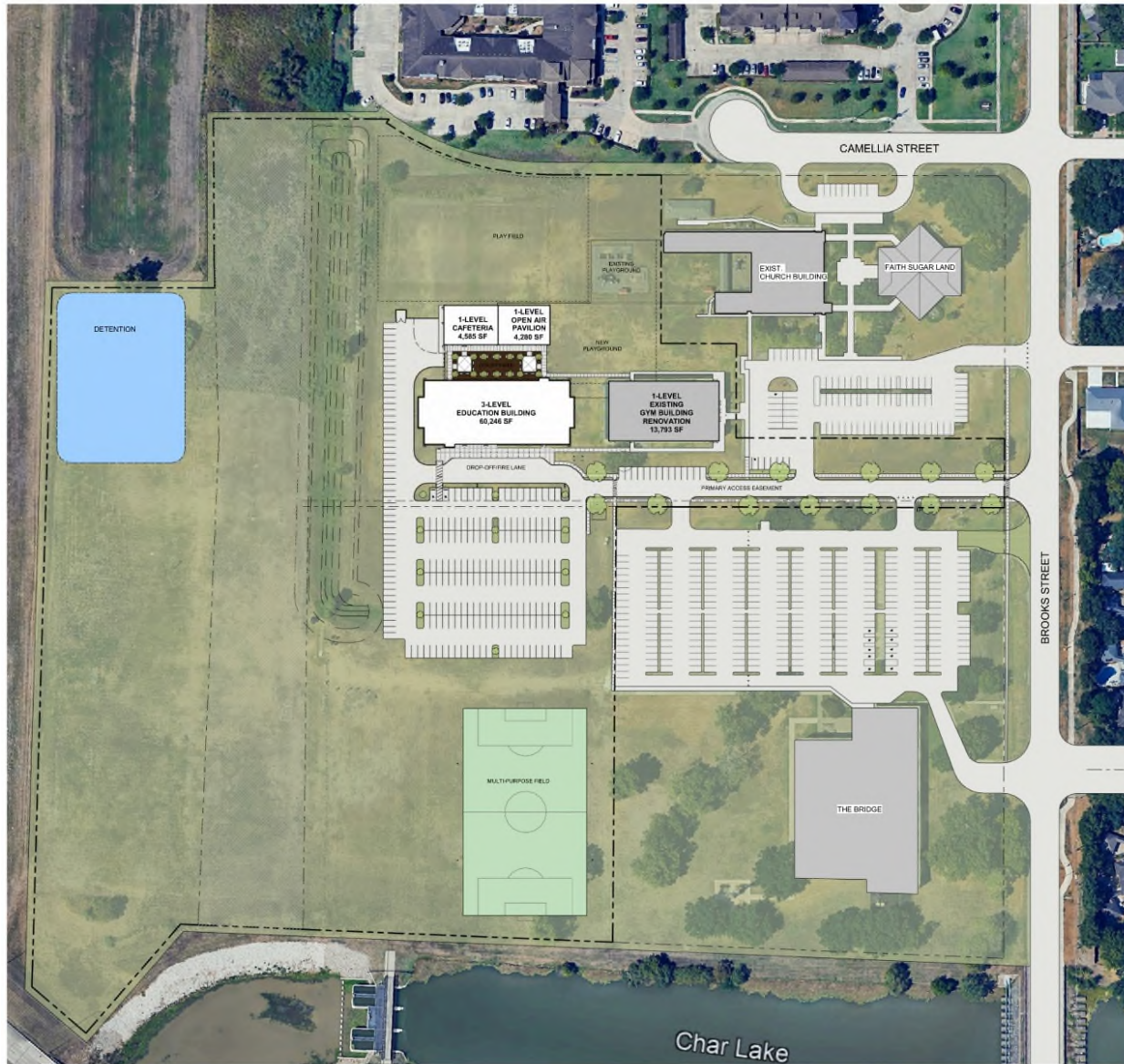
⁽²⁾ To be paid off from the proceeds of the Bonds.

Approximately \$20,844,733* of the proceeds of the Bonds will be used by Logos Prep to finance the construction and renovation of the New Campus. The New Campus will consist of a newly constructed approximately 60,000 square foot tilt-wall three-story classroom school building and a newly constructed approximately 4,300 square foot metal cafeteria/kitchen/assembly building with an attached 4,300 square foot covered open-air pavilion with play courts. Additionally, an existing 19-year old approximately 14,000 square foot tilt-wall construction gymnasium building will be renovated to include a weight room, athletic office and new telescopic bleachers. External improvements to the Site will include a lighted playing field at the south end of the property, a new access drive, an approximately 200-space parking lot and a storm water detention pond. The New Campus is expected to include 48 classrooms, including 6 enrichment classrooms for science, art, library, computer science, secondary music/performing arts and primary music.

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* Preliminary, subject to change.

The following is a site plan of the New Campus:



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The following are renderings of New Campus:



As part of its diligence relating to the acquisition of the Site, Logos Prep prepared a facilities master plan, which includes the development of a two-level student center and library, a competition gym, a black box theater, a sports stadium and a baseball field, all to be located on the Site. These improvements are not being financed with proceeds of the Bonds, and will not be constructed as part of the Project. In the future, Logos Prep may finance all or a portion of such additional improvements to the New Campus with additional indebtedness, cash on hand or philanthropy, or some combination thereof.

There are currently no plans to undertake these additional improvements, and there is no assurance that any or all of these improvements will be constructed in the future. As discussed previously, the current plan is

for Logos Prep to continue using its existing athletic fields and facilities to conduct its sports programs. See “ACADEMIC PROGRAMMING – Athletic and Extracurricular Programming” herein.

Reciprocal Easements and Use Restrictions

Faith Parcel. Logos Prep entered into a Reciprocal Easement and Restrictive Covenant Agreement with Faith Lutheran on January 27, 2026 (the “Reciprocal Easement Agreement”) providing for shared use and maintenance of a main entrance and shared parking area. Pursuant to the Reciprocal Easement Agreement and as part of the Project, Logos Prep will construct the main entrance and a new parking lot, containing approximately two hundred (200) parking spaces, on approximately one acre of the Faith Parcel.

The following is a depiction of the shared parking area:



Bridge Parcel. Logos Prep entered into an agreement with Bridge Fellowship on January 27, 2026 granting Bridge Fellowship an easement to access and use a detention facility to be constructed on Bridge Parcel and the replacement of the existing detention facility. The replacement of the existing detention facility is included as part of the Project being financed with proceeds of the Bonds.

Repurchase Right. Bridge Fellowship has the right to repurchase the Bridge Parcel if Logos Prep fails to commence construction of a multi-purpose playing field and a detention facility on the Bridge Parcel within 84 months (7 years) of the date of Logos Prep’s acquisition of the Bridge Parcel, or fails to complete such improvements within 48 months (4 years) after the date of commencement of such improvements, at a price equal to the original purchase price plus Logos Prep’s actual and documented out-of-pocket costs in connection with such construction and construction of the parking lot discussed above. The construction of a multi-purpose playing field and the detention facility is included as part of the Project being financed with proceeds of the Bonds.

Restrictions on Use. Pursuant to the Reciprocal Easement Agreement (for the Faith Parcel) and a special warranty deed conveying title to the Bridge Parcel to Logos Prep (for the Bridge Parcel), the New Campus may only be used in a manner that is for or in support of the operation of a house of worship on Bridge Fellowship’s and Faith Lutheran’s property, including an educational campus serving pre-kindergarten through twelfth grade. Also, for a period of ten years after the acquisition of the Faith Parcel and the Bridge Parcel, the New Campus must only be operated and used as an educational campus serving pre-kindergarten through twelfth grade.

In connection with the prior capping of a prior industrial waste disposal site (see discussion below under the heading “Environmental Inspection,” use of some or all of the site is restricted, may not be used for residential purposes, and ground water may not be extracted or used without requisite governmental approvals.

Entitlements

The City of Sugar Land (the “City”) issued a conditional use permit for the New Campus on December 2, 2025, allowing for the development and operation of the New Campus as a private school (the “CUP”).

The CUP limits the number of students on the New Campus at any time to 536. Due to the School’s operations, this limitation can accommodate a total enrollment of up to 976 students by implementing the staggered schedule described below, resulting in approximately half of the total student population being on campus on any given day. Stabilized enrollment for Logos Prep is projected to be approximately 880 students (2033-34 school year) under a University-Model® program.

Logos Preparatory Academy is a University-Model® School. As such, students do not attend the central campus five days a week, allowing for a staggered schedule. Kindergarten students are on campus on Tuesdays and Thursdays, with half a day on Wednesdays. Students in grades 1–5 attend the central campus on Tuesdays and Thursdays. Students in grades 6–8 attend classes on Mondays, Wednesdays, and Fridays. Most high school classes are held on Mondays, Wednesdays, and Fridays, with a limited number offered on Tuesdays and Thursdays. As a result, approximately half of the total student population is on campus on any given day. The chart below shows a staggered scheduling model that would allow for a total enrollment of up to 976 students (which exceeds the projected enrollment of the School of 879 students for the 2033-34 school year):

	<i>Maximum Student/Teacher Ratio</i>	<i>Maximum Sections</i>	<i>Students per Grade</i>	<i>Attending T/Th</i>	<i>Attending M/W/F</i>
Pre-K	12	5	60	60	
K	12	5	60	60	
1	16	4	64	64	
2	16	4	64	64	
3	16	4	64	64	
4	16	4	64	64	
5	16	4	64	64	
6	18	4	72		72
7	18	4	72		72
8	18	4	72		72
9	20	4	80		80
10	20	4	80		80
11	20	4	80		80
12	20	4	80		80
Total Students			976	440	536

The CUP does not permit for the development of the 200-space parking lot contemplated as part of the Project, included in the scope of work under the Construction Contract (defined below) and required to be provided under the Reciprocal Easement Agreement. Logos Prep will be seeking an amendment to the CUP to allow for the development of the parking lot. Logos Prep anticipates that the process to receive an amendment to the CUP would take approximately six weeks, and thereafter another approximately six to eight weeks to receive a site permit to allow for the development of the parking lot. Logos Prep expects to receive a CUP amendment and related site permit in a time so as to allow for the planned development on the schedule set forth in this Limited Offering Memorandum.

Logos Prep currently expects to submit for a CUP amendment in March 2026, and to receive an amendment in or around July 2026. In the event such an amendment were not approved by the City, Logos Prep

does not believe that failure to develop the 200-space parking lot would adversely affect its operations (as a result of its access to shared parking under reciprocal easement agreements) or result in any violation of its easement obligations to Faith Lutheran (as discussed above) or Bridge Fellowship.

Timing For Receipt of Building Permit. Logos Prep has submitted plans and construction drawings to the City for approval of the site plan and construction plans. At the City’s request, plans were split into two packages for the renovation of the existing gymnasium and the construction of the new academic building. Logos Prep received initial comments to the site plan in early January and initial comments on the construction plans for the renovation in late January 2026, and expects to receive comments on the construction plans for the new building in early February 2026. Comments received from the City thus far have been minor and not substantive.

Logos Prep expects to receive a building permit from the City, evidencing approval of the site plan and construction plans, prior to the expected issuance of a notice to proceed to the Contractor in mid-March 2026. The Project development team has already received multiple series of comments on site plan and construction plans, and does not expect any delay in receipt of the building permit from the City. The Construction Contract requires that a notice to proceed be given by March 30, 2026; if a building permit is not received by such date, the GMP under the Construction Contract may be subject to change. See “CERTAIN RISK FACTORS – Construction Risks” in the forepart of this Limited Offering Memorandum.

Project Budget and Construction Contract

Project Budget. The total Project budget for the development of the Project is estimated to be \$32,882,440,* including the acquisition of the Site and certain pre-development work previously funded by Logos Prep. The following table indicates the anticipated project costs for the Project.

PROJECT BUDGET*

Site Acquisition	\$10,108,017
Guaranteed Maximum Price (Construction Contract) ⁽¹⁾	\$19,525,412
Owner’s Contingency ⁽²⁾	\$500,000
Pre-Development, Soft Costs and Other Costs (including FF&E)	\$2,749,011
Total Project Budget	\$32,882,440

⁽¹⁾ Includes Contractor’s contingency of \$276,197 (equal to 1.4% of the GMP).

⁽²⁾ Equal to 2.6% of the GMP.

Pre-Development Costs in the amount of \$1,186,849 was previously financed with Logos Prep equity, and Logos Prep previously financed down payments on the Site acquisition in the total amount of \$2,690,403. A portion of the proceeds of the Bonds are expected to refinance the portion of the acquisition financed with proceeds of the Bridge Loan and the Faith Loan by refunding the related promissory notes.

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* Preliminary, subject to change.

THE PROJECT, PLAN OF FINANCE*

Logos Prep Equity	
Pre-Development Costs, Soft Costs and Other Costs (including FF&E)	\$1,929,690
Down Payments for Site Acquisition	<u>\$2,690,403</u>
Logos Prep Equity Subtotal⁽¹⁾	\$4,620,093
Bond Proceeds	
Site Acquisition (Payoff of Bridge Loan and Faith Loan)	\$7,417,614
Construction (Including Construction Contract and Owner's Contingency)	\$20,025,412
Pre-Development Costs, Soft Costs and Other Costs (including FF&E)	<u>\$819,321</u>
Bond Proceeds Subtotal	<u>\$28,262,347</u>
Total Project Budget	\$32,882,440

(1) An additional \$1,566,756 of equity will be contributed by Logos Prep at closing to fund financing costs (i.e. costs of issuance and capitalized interest), resulting in a total equity contribution to the project and financing of \$6,186,849.

Construction Contract. Logos Prep entered into a Standard Form of Agreement Between Owner and Construction Manager as Constructor, dated December 18, 2024 (the "Construction Contract"), between Logos Prep and Brookstone, L.P. (the "Contractor" or "Brookstone"), pursuant to which the Contractor has agreed to undertake the construction of the New Campus. Prior to the issuance of the Bonds, Logos Prep and the Contractor will enter into an amendment to the Construction Contract to provide for the construction of the New Campus for a contract price not to exceed a guaranteed maximum price of \$19,525,412 (the "GMP"). The Construction Contract requires that the New Campus will achieve substantial completion within 397 calendar days of commencement, which is expected to occur by March 16, 2026, or the Contractor will be liable to pay liquidated damages in the amount of \$1,500 per day beginning 31 days after the substantial completion date and \$2,000 per day beginning 46 days after the substantial completion date, with liquidated damages increasing by \$500 per day every two weeks beginning 61 days after the substantial completion date, such liquidated damages to be deducted from amounts owed to the Contractor under the Construction Contract.

Project Contingency and Payment & Performance Bond. The GMP includes a Contractor's contingency of \$276,197 (equal to 1.4% of the GMP amount). The Project Budget also carries an Owner's contingency of \$500,000 (equal to 2.6% of the GMP amount). The total contingency amount funded in the Project Budget is \$776,197 (equal to 4% of the GMP amount). The Construction Contract requires the Contractor to provide payment and performance bonds in an amount equal to the GMP, as well as builder's risk property insurance.

Allowance Amounts Allowed Under the GMP. The GMP includes, among others, the following allowances: in the event any of these items exceed the allowance amount, the GMP amount may be increased accordingly. If the cost of the item is equal to or less than the allowance amount below, then there is no additional cost added to the Project Budget.

Category	Allowance Amount
Parking Lot Expansion	\$500,000
Inflation/Price Escalation	355,000
Design Coordination	265,000
Food Service Equipment	105,000
Temporary Road, Parking, Laydown	125,000
Science Laboratory Equipment	50,000
Library Casework & Furniture	50,000
ERRS System	50,000
Additional Landscaping/Irrigation	45,000

Under the Construction Contract, the parties agree that if there is a bona fide price increase to the Contractor for materials necessary in performance of the work thereunder, Contractor shall be entitled to an

equitable adjustment to the GMP via a change order. As disclosed above, the GMP includes an allowance of \$355,000 to cover any cost impacts associated with this paragraph. However, there is no assurance that material costs will not increase by more than such allowance. The GMP also acknowledges that the mechanical, electrical and plumbing systems for the New Campus were designed by certain subcontractors selected by Logos Prep, in consultation with the architect, MHP (as defined below), and provides that such subcontractors, not the Contractor, will be liable for any damages resulting from a faulty design or engineering of the mechanical, electrical or plumbing systems.

Project Timeline. The following table indicates the anticipated construction timeline for the Project.

Estimated Development and Construction Timeline*

Milestone Event	Date
Receipt of Building Permit	March 2026
Notice to Proceed	March 2026
Completion of Pre-Construction Site Work	April 2026
Completion of Gymnasium Renovation	August 2026
Completion of Structure and Envelope – Academic Building	September 2026
Completion of Structure and Envelope – Cafeteria	November 2026
Completion of Interior – Cafeteria	December 2026
Completion of Interior – Academic Building	February 2027
Substantial Completion	April 2027
Move-In Complete	July 2027

Construction Team. The following are brief descriptions of the contractor, architect and construction manager.

Brookstone Construction: Brookstone is the contractor for the Project. Brookstone was founded in 1963 and is based in Houston, Texas, with approximately 60 in-house and field staff members. Brookstone’s primary geographic focus is in the greater Houston area. Brookstone has over 30 years of construction manager-at-risk (“CMAR”) experience and has completed over 200 CMAR projects with an aggregate value of over \$1.1 billion. Since its inception, Brookstone has built a strong client base with K-12 educational clients, including a wide variety of private entities. Approximately 34% of its current business is derived from these clients, with both construction manager-at-risk, and design / build delivery methods. Recent educational facility projects for Brookstone include Sagemont Church Student Ministry Building (Houston, TX), Epiphany of the Lord Catholic Church and School (Katy, TX), Houston’s First Baptist Church Sienna Campus (Missouri City, TX), The John Cooper School (The Woodlands, TX), The Cathedral of Our Lady of Walsingham Catholic Church Cathedral High School (Houston, TX), and Cypress Christian School (Houston, TX). Source: Brookstone.

Merriman Holt Powell Architects: Merriman Holt Powell Architects (“MHP”) is the architect for the Project. Founded in July 1993, MHP is focused in Texas and its major focuses of its practice are in liturgical facilities and educational facilities. Educational facilities experience since 2020 includes facilities for Immanuel Lutheran Church Early Childhood Center (Giddings, TX), Crosspoint Church (Bellaire, TX), Ser Ninos Charter High School (Houston, TX), Christ Church Presbyterian Day School (Bellaire, TX), Holy Trinity Episcopal School (Houston, TX), St. Thomas’ Episcopal School (Houston, TX), Alief Montessori Community School (Houston, TX), and The Post Oak School Museum District Campus (Houston, TX). Source: MHP.

Brookstone and MHP have partnered on projects for close to three decades, with Brookstone having completed more than 20 projects with MHP – more than any other Houston area architect. Source: Brookstone.

* Preliminary, subject to change.

Jeffrey Anderson, Construction Manager. The Logos Prep Board has retained Mr. Anderson, who is a current Logos Prep grandparent, as Construction Manager in connection with the Project on a voluntary basis (no pay). Mr. Anderson is currently the President of Crossmark Development & Construction, LLC, a commercial and residential design and build construction company in Stafford, Texas that specializes in commercial and residential construction in the Fort Bend County area including design/build, ground-up construction and land development.

As Construction Manager for the Project, Mr. Anderson has been tasked by the Logos Prep Board to review and help approve all general contractor requisitions. In connection with that work, Mr. Anderson will be meeting regularly with the general contractor and on-site to review work as construction is underway. He will also review and help advise Logos Prep on any change orders.

Environmental Inspection

Phase Engineering, LLC (“Phase”) performed a Phase I Environmental Site Assessment for the Site. In that connection, Phase prepared a report dated January 8, 2026 (the “Phase I Report”). The Phase I Report is subject to a number of significant assumptions, limitations and disclaimers.

The Phase I Report defines a “recognized environmental condition” as: “(1) the presence of hazardous substances or petroleum products in, on, or at the subject property due to a release to the environment; (2) the likely presence of hazardous substances or petroleum products in, on, or at the subject property due to a release or likely release to the environment; or (3) the presence of hazardous substances or petroleum products in, on, or at the subject property under conditions that pose a material threat of a future release to the environment. The Phase I Report defines a “controlled recognized environmental condition” as “recognized environmental condition affecting the subject property that has been addressed to the satisfaction of the applicable regulatory authority or authorities with hazardous substances or petroleum products allowed to remain in place subject to implementation of required controls (for example, activity and use limitations or other property use limitations).

The Phase I Report revealed no evidence of recognized environmental conditions in connection with the Site, except for the following:

- The subject property has been impacted by a documented release of hazardous substances and petroleum products resulting from historical industrial waste disposal activities conducted at the subject property that has not received final regulatory agency closure.

The Phase I Report revealed no evidence of controlled recognized environmental conditions in connection with the Site, except for the following:

- An industrial waste disposal site is located on the south tract of the subject property and received a form of closure from the US EPA and TNRCC with requirements to maintain institutional controls in the form of restricted development to non-residential purposes only and restricted access to and usage of groundwater and an engineering control in the form maintenance of a cap over the affected tract of land.

The Phase I Report did not identify evidence of any historical recognized environmental conditions in connection with the Site, and no significant data gaps.

The Phase I Report made the following recommendations with respect to environmental aspects of the Site:

- The owner(s) / operator(s) of the subject property should continue to follow directives issued by the TCEQ in order to receive regulatory agency closure for documented releases.

- The owner(s) / operator(s) of the subject property should continue to comply with the institutional / engineering controls imposed as a requirement of industrial waste disposal site closure.

Logos Prep engaged UES Professional Solutions 64, LLC (“UES”) to conduct a Limited Phase II Environmental Site Assessment of the Site. In that connection, UES prepared a report dated December 20, 2024 (the “Phase II Report”). UES conducted four soil borings to assess the nature of environmental impacts to soils, as well as a geotechnical assessment. Based on its assessments and findings, the Phase II Report recommended a soil management plan be put together in preparation of the development of the Site, in case impacted sediment from the historical industrial operations is encountered and can be appropriately handled. No further action was recommended for the Site at that time.

Logos Prep engaged UES to prepare a Soil Management Plan relating to the Site, dated October 23, 2025 (the “SMP”). The Texas Commission on Environmental Quality reviewed the SMP and, pursuant to a letter to Logos Prep dated December 2, 2025, concurred with the proposed handling of soils in the SMP and authorized the Project construction activities as set forth in the SMP.

The Phase I Report and Phase II Report each speak only as of its respective date, and neither Phase nor UES have been asked to perform any additional assessments other than as described herein. Further, the Phase I Report and Phase II Report are each subject to the limitations and disclaimers specified therein. Potential investors may refer to the complete Phase I Report and Phase II Report for a full understanding of such limitations, and for additional information pertinent to the assessments. Costs incurred by Logos Prep with respect to environmental remediation or liability could adversely affect its financial condition.

Appraisal

Colliers International Valuation & Advisory Services (the “Appraiser”) appraised the Site and improvements comprising the Site, as well as the proposed construction and improvements comprising the New Campus. In that connection, the Appraiser prepared an Appraisal Report dated January 26, 2026 (the “Appraisal Report”). The Appraisal Report estimates the “as-is” value of Logos Prep’s fee simple interest in the New Campus at \$4,300,000 for the Faith Parcel and \$6,400,000 for the Bridge Parcel, each with an effective date of January 22, 2026. The values are subject to assumptions, limited conditions, and certifications described in the Appraisal Report. The combined purchase price for the Bridge and Faith parcels for the New Campus is \$10,108,017.

This appraised value set forth in the Appraisal Report does not include, or contemplate, the construction of the improvements on the New Campus constituting the Project.

Limitations. The summary of the Appraisal Report contained in this section is not meant to be exhaustive, and reference should be made to such report for a complete recital of its terms. The value of the New Campus as estimated in the Appraisal Report represents only the opinion of the Appraiser, and only as of the respective effective dates. The Appraiser has not been engaged to update or revise the estimates contained in the Appraisal Report since its date. Copies of the Appraisal Report are available upon request from the Underwriter. See “CERTAIN RISK FACTORS – Limitations on Appraisals” in the forefront of the Limited Offering Memorandum.

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GOVERNANCE AND ADMINISTRATION

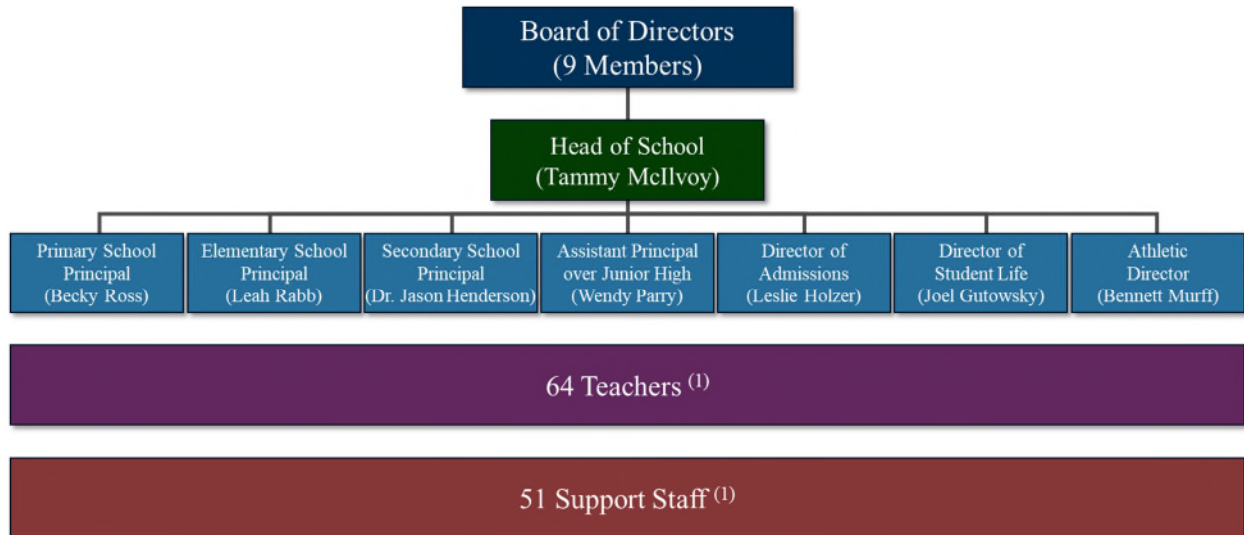
Logos Prep is organized as a Texas nonprofit corporation and is governed by its a Board of Directors (the “Board”).

Organizational Structure and Leadership Team

A Head of School is responsible for running the day-to-day operations and management of Logos Prep with a dedicated leadership team, as outlined below. Pursuant to the Bylaws of Logos Prep (the “Bylaws”), the Head of School functions as the Chief Executive Officer. Tammy McIlvoy is the Head of School of Logos Prep.

The following organization charts shows the relationship of the Board of Directors and leadership within the Logos Prep organization.

**FIGURE 2
ORGANIZATION CHART**



⁽¹⁾ Full and part-time positions.

Board of Directors

Logos Prep is governed by the Board. Pursuant to the Bylaws, the Board consists of between seven and 21 members elected by a unanimous vote of the then-existing Board. Directors serve three-year terms that may be renewed once, followed by at least one mandatory year off the Board; provided that such restriction may be overridden for directors who have been appointed to a strategically focused responsibility as affirmed by a majority vote of the Board. The Board typically meets 6-7 times a year, and pursuant to the Bylaws, shall meet at least 4 times each year.

There are currently nine members of the Board. A list and brief biographies of the current members of the Board follow.

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TABLE 1
BOARD OF DIRECTORS

<i>Name</i>	<i>Title</i>	<i>Director Since</i>	<i>Term Expires</i>
Richard “Rick” Goolsby	Chairman	2005	2026
Ginsu Varghese	Secretary	2019	2026
Mike Cabiro	Director	2022	2028
Billy Easter, Esq.	Director	2021	2027
Dr. Fred Higgs	Director	2020	2026
Carmie Hogan	Director	2022	2028
Adam Jungeblut	Director	2022	2028
Dr. Vincent Kau	Director	2022	2028
Judy Kurrus	Director	2021	2027

Source: Logos Prep.

Richard “Rick” Goolsby, Board Chairman. Since graduating from the University of Houston with his accounting degree, Mr. Goolsby has worked in various sales and management roles in the commercial floor covering industry, and is currently President of Business Flooring Specialists, LP (“BFS”). Rick and his wife, Julie, helped to start Logos Prep and he has served on the board ever since. Mr. Goolsby has five children who graduated from the School, and one child still attending the School. Mr. Goolsby is a deacon at Sugar Creek Baptist Church, and co-teaches Merge, a newly-wed Sunday school class at the church.

Mr. Goolsby’s company, Business BFS, will be a material supplier to the Contractor (as defined under the heading “THE PROJECT” herein) in connection with the construction of the New Campus. Mr. Goolsby disclosed the potential conflict of interest to the Board prior to the Board’s approval of the Construction Contract (as defined under the heading “THE PROJECT” herein), and the materials being provided by Mr. Goolsby’s company are being provided below market value. After the Contractor was selected for the construction of the New Campus, BFS has served, and may serve from time to time, as a subcontractor on other unrelated projects of the Contractor, and Mr. Goolsby has disclosed such potential conflict of interest to the Board. Additionally, as Board Chairman, Mr. Goolsby receives tuition remission for his child attending the School in the amount of \$10,000. Logos Prep has a conflict of interest policy in place, and Logos Prep believes that such policy was fully complied with in connection with both the engagement of Mr. Goolsby’s company as a material supplier and the tuition remission offered to Mr. Goolsby as Board Chairman.

Ginsu Varghese, Board Secretary. Mrs. Varghese received her bachelor’s degree in psychology from Austin College. She continued her graduate work at the University of Houston Clear Lake receiving a master’s degree in industrial/organizational psychology and a master’s degree in business administration. Mrs. Varghese’s career spanned a variety of industries, including aerospace, government, education, private consulting, and non-profit. She focused her consulting services on professional development, process improvement, and personal development mastery. Along with being a certified Lean Six Sigma Black Belt, Mrs. Varghese also holds certifications in various training and leadership curriculum including Franklin Covey, Achieve Global, and NASA’s Space Flight Training Instructor Academy at the Johnson Space Center. Currently, Mrs. Varghese serves as founder and principal consultant of Varghese Leadership, a leadership coaching and consulting firm. A member of St. Thomas Orthodox Cathedral, she actively volunteers in youth, family and women’s ministries, and chaired the finance and fundraising committee in a multimillion-dollar community center construction project.

Mike Cabiro, Director. Mr. Cabiro graduated from LSU Medical Center in New Orleans with a Bachelor of Science degree in Physical Therapy. He has worked in multiple roles for Methodist Hospital, TIRR, and Memorial Hermann. Mr. Cabiro obtained his MBA in 2008 and currently serves as CEO of Encompass Health Rehabilitation Hospital Pearland. Mr. Cabiro has three children attending the School.

Billy Easter, Esq., Director. Mr. Easter graduated from Texas Tech University with a Bachelor of Science degree in Biology and Chemistry. He went on to obtain his Juris Doctorate degree from Baylor University School of Law and later received his Master of Business Administration from Rice University. Billy practiced law for seventeen years in both the private practice sector and as in-house counsel before transitioning into a broader leadership role for Quest Integrity, where he leads multi-functional teams in support of global operations. Mr. Easter has one child currently attending the School.

Dr. C. Fred Higgs, Director. Dr. Higgs is a Mechanical Engineering professor at Rice University, where he also serves as Vice Provost of Academic Affairs and directs a center in the School of Engineering. After over a decade at Carnegie Mellon University, he joined Rice in 2016 and continued to lead a research lab, oversee educational programs, and shape university administration. Dr. Higgs has three children currently attending the School.

Carmie Hogan, Director. Mrs. Hogan graduated from Texas Tech University with a Bachelor of Arts in Management Information Systems. After college, she landed in Austin, Texas at National Instruments. She worked as a programmer analyst and developed several interfaces in which Oracle incorporated into their CRM modules. Mrs. Hogan then moved to San Antonio where she worked for USAA REALCO in their IT department receiving REALCO's Employee of the Year award in 2007. After a later move to Houston Mrs. Hogan worked as a systems analyst for Hines Interests LLP and did consulting work for SmartBridge, until she began staying home with her kids. Mrs. Hogan's children have attended the School since 2018.

Adam Jungeblut, Director. Mr. Jungeblut graduated from Texas Christian University in 2001 and afterwards attended both Dallas Theological and Rockbridge Seminaries. Mr. Jungeblut's ministry career started in Young Life, an interdenominational outreach ministry for high school students. Mr. Jungeblut has been on staff at Parkway Fellowship in the Richmond/ Katy area since 2004 currently serving as Ministry Development Director at the North Katy location, where he enjoys preaching every Sunday. Mr. Jungeblut has one child currently attending the School and one child who has graduated from the School.

Dr. Vincent Kau, MD, Director. Dr. Kau received his Bachelor of Arts degree in Biology from the University of Texas at Austin and received his Medical Doctorate from Texas Tech Health Sciences Center. He did his internal medicine residency training at the University of Texas at Houston and has been a primary care physician in private practice since 2007. Dr. Kau has two children attending the School.

Judy Kurrus, Director. Mrs. Kurrus's professional journey is diverse. After working in the hospitality industry, she proudly served in the U.S. Coast Guard piloting search and rescue boats, and later sailed on a NOAA hydrographic survey ship in Alaskan waters for five years before returning to college at the University of Washington, double majoring in oceanography and geology. Following graduation, Mrs. Kurrus worked for four years in the oceanography field. Thereafter, Mrs. Kurrus returned to school and earned a degree in interior design. Mrs. Kurrus has two children that attended Logos Prep since 2010 and have since graduated.

School Administration

The Logos Prep executive leadership team includes a Head of School, Primary Principal, Elementary Principal, Secondary Principal, Assistant Junior High Principal, Director of Admissions and Director of Student Life. Below are brief biographies of each of these executives.

Tammy McIlvoy, Head of School. Ms. McIlvoy began her career as an instructor at a 5A public high school. She left public school and taught briefly in a traditional private school before learning about University-Model® schooling where she has served since 2000. Within the University-Model® School, Ms. McIlvoy has been a classroom instructor, served as a co-teacher, founded a school, served on a local school board, and served various roles within school administration. She currently serves as Head of School for Logos Preparatory Academy, secretary of the NAUMS, Inc. Board of Directors, and coach for the Herzog Foundation. Ms. McIlvoy is a regular presenter at the UMSI Summit and at the Herzog Foundation training seminars, and enjoys investing

in the development of both schools and individuals. She has also served on a number of NAUMS, Inc. school certification and AdvancED (now Cognia) accreditation teams. She earned a Bachelor of Fine Arts degree in radio, television, and film from Sam Houston State University and later returned to Lamar University in order to complete her education courses.

Becky Ross, Primary Principal. Ms. Ross has taught multiple grade levels at the School, has served as Primary department head, and currently serves as Principal of the Primary School at the Brooks Campus. Prior to joining Logos Prep in 2006, she taught in the public school system for several years. Ms. Ross graduated from Houston Baptist University with a double major in elementary education and early childhood development.

Leah Rabb, Elementary Principal. As a certified teacher in two states, Mrs. Rabb has taught in inner city public schools, homeschool coops, and in private schools. Since joining Logos Prep, Mrs. Rabb has served in a variety of roles before becoming Principal of Elementary. She has served at her church in children's ministry, at youth camps, and as a women's Bible teacher. Mrs. Rabb enjoys partnering with Logos Prep families and teachers to fully equip students with a quality education using Biblical values. Mrs. Rabb obtained her Bachelor of Science degree from the University of North Texas and her master's degree at Colorado Christian University. Currently, she is pursuing her doctorate in educational organization through Abilene Christian University.

Dr. Jason Henderson, Secondary Principal. Dr. Henderson served as the 8th grade science teacher beginning in 2013 and in January 2015 he assumed the role of Assistant Principal in addition to his teaching duties, prior to being named Principal of the Secondary in 2017. Dr. Henderson received both his undergraduate and graduate degrees from Abilene Christian University. After graduating from college, he pursued a Master of Arts degree in Christian ministry. This led him to youth ministry in Conroe, teaching Bible in Houston, and ultimately full circle, using his science degree to teach at the School. While at Logos Prep, Dr. Henderson also pursued and completed a Doctor of Ministry from Abilene Christian University, matriculating in 2023.

Wendy Parry, Assistant Principal over Junior High. Ms. Parry has been an educator for 18 years, including the past 12 years at Logos Prep. In addition to teaching in the classroom, Ms. Parry has served as the 3rd–12th grade Science Department Head, Junior High Assistant Principal, and Assistant Director of Discipleship. Ms. Parry earned her Bachelor of Arts in Elementary Education with an ESL endorsement from the University of Iowa.

Leslie Holzer, Director of Admissions. Prior to joining Logos Prep, Ms. Holzer taught physical education and coached volleyball & basketball at both public and private schools in the area. Ms. Holzer actively serves as a small group leader in the student ministry. Ms. Holzer received a Bachelor of Science degree in journalism from Texas A&M University and a teaching certificate from Houston Baptist University.

Joel Gutowsky, Director of Student Life. Mr. Gutowsky began teaching photography at the School in 2015 and was later named Director of Student Life. Prior to joining Logos Prep, he served as a youth pastor at First Baptist Church Rosenberg and Crosspoint Church in Bellaire. He graduated from Houston Baptist University with a Bachelor of Arts degree in Christianity and communications.

Bennett Murff, Athletic Director. Mr. Murff joined Logos Prep as the School's business manager in 2015 and was named athletic director in 2017. Before coming to Logos Prep, Mr. Murff served for 23 years with Sam's Club with fifteen of those years as club manager. He received a Bachelor's in Biblical Counseling from the College of Biblical Studies in Houston.

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FACULTY AND STAFF

School Staffing and Student-Teacher Ratio

As of January 27, 2026, Logos Prep has 123 total faculty and staff (including administration), including 20 full-time employees and 103 part-time employees. Of Logos Prep's current teachers, 61 are part-time and three are full-time. In addition, five other members of the school staff teach classes as needed. Of Logos Prep's other School support staff, 12 are full-time and 39 are part-time. The following table sets forth information regarding Logos Prep's employees for the current and last three school years.

TABLE 2
EMPLOYMENT AND STAFFING
School Years 2022-23 through 2025-26

	<i>2022-23</i>	<i>2023-24</i>	<i>2024-25</i>	<i>2025-26</i>
Teachers ⁽¹⁾	60	64	60	64
School Support Staff ⁽¹⁾	39	38	39	51
School Leaders ⁽²⁾	7	7	8	8
Total Employees	106	109	107	123
Enrollment	603	604	599	624

⁽¹⁾ Includes full-time and part-time positions.

⁽²⁾ Full-time positions.

Source: *Logos Prep*.

The following shows the student teacher ratio for the current 2025-26 school year at each of the Primary School, Elementary School, Middle School and High School levels.

TABLE 3
OVERALL STUDENT TEACHER RATIOS
School Year 2025-26

	<i>Primary</i>	<i>Elementary</i>	<i>Middle</i>	<i>High</i>
Teachers ⁽¹⁾	23	20	12	26
Students	131	167	109	216
Student Teacher Ratio	5.7:1	8.4:1	9.1:1	8.3:1

⁽¹⁾ The number of teachers, and corresponding student teacher ratios, do not align with the data in Table 2 above as the teacher data in Table 2 represent full-time equivalents, whereas the teacher counts shown here include both full-time and part-time teachers as a teacher, and some teachers are included in multiple columns as they teach multiple grade levels. Seven teachers appear in more than one category. Logos Prep currently employs 61 part-time teachers and three full-time teachers.

Source: *Logos Prep*.

Logos Prep strives to provide an intimate classroom setting to foster stronger teacher-student relationships and enable teachers to personalize their learning plans for each student. Pursuant to Board policy, the Head of School may not allow more students per teacher to be registered in classes above the following student to teacher ratios: 14 students in kindergarten; 18 students in grades 1-5; 20 students in grades 6-8; and 22 students in grades 9-12. The following table shows actual student-teacher ratios by classroom, reflecting the average number of students in each classroom with a single teacher.

TABLE 4
STUDENT-TEACHER RATIOS BY CLASSROOM
School Year 2025-26

<i>Grades</i>	<i>Current Classroom Ratio⁽¹⁾</i>	<i>Board Policy Limit⁽²⁾</i>
Kindergarten	12:1	14:1
1-5	13:1	18:1
6-8	15:1	20:1
9-12	16:1	22:1

⁽¹⁾ Classroom ratio in school year 2025-26 for an average classroom in the specified grades.

⁽²⁾ Classroom size limits per specified grades set by current Board of Directors policy.

Source: Logos Prep.

The following table reflects Logos Prep's staff (including coaches, aides and other staff) composition by education level for the current school year. Three teachers do not have bachelor's degrees and serve in the primary grades.

TABLE 5
STAFF EDUCATION
2025-26 School Year

<i>Degree Level</i>	<i>Percent of Staff</i>
Master's	26%
Bachelor's	89%

Source: Logos Prep.

Teacher Retention

Over the past three years, the average retention of teachers who received return offers was 90.09%. The following table sets forth the rate of retention of teachers for Logos Prep, showing for each school year the percentage of returning teachers from the prior school year (excluding teachers who did not receive return offers from Logos Prep).

TABLE 6
TEACHER RETENTION
2021-22 through 2025-26

	<u><i>All Teachers⁽¹⁾</i></u>
2020-21 to 2021-22	89.4%
2021-22 to 2022-23	90.4%
2022-23 to 2023-24	91.5%
2023-24 to 2024-25	86.2%
2024-25 to 2025-26	92.5%

⁽¹⁾ Excludes teachers who did not receive return offers from Logos Prep.
Source: Logos Prep.

ADMISSIONS, ENROLLMENT, TUITION AND FINANCIAL AID

Admission

Logos Prep follows a thorough admissions process in an attempt to assist families who strongly desire an education with an emphasis on character development and parental involvement. Logos Prep generally accepts and processes applications following the order and timeline described below.

Step 1: Parent Information Meeting: Prospective parents are required to attend an information meeting to hear directly from school administrators and receive an overview of the School’s model, mission, academics, extracurricular opportunities, and admissions process. After attending a parent information meeting, prospective parents of students in kindergarten through second grade may tour the Brooks Campus and prospective parents of students in third through tenth grade may request that their prospective student shadow a current student.

Step 2: Online Application: Parents submit an online application and a non-refundable application fee. The application is considered complete when all references have been submitted. The application period opens in January and closes in June.

Step 3: Testing: Once the application has been submitted, prospective students sign up for testing, which must be completed prior to a family interview. Testing is conducted at a Logos Prep campus or a testing center, as determined by grade.

Step 4: Family Interview: The family interview is a vital part of the admissions process and will be scheduled after all prerequisite steps have been completed. The interview provides an opportunity for families to ask questions and for families to get to know Logos Prep.

Step 5: Online Enrollment: Admissions decisions will be emailed after all prior steps of the admissions process have been completed.

Post-admission steps: At the end of summer, parents and students are strongly encouraged to attend these events to prepare them for the school year.

- Student Readiness Labs – Summer math labs for Algebra 1 and 2 review and Spanish labs for students entering high school Spanish are offered.
- Parent Power Up Classes – Training for parents, new and veteran, designed to equip for the year ahead. New parents are required to attend.

- Student Orientations – All new third through twelfth graders will become familiar with the School, walk their schedule, meet school administrators, make new friends, and have fun.
- Back-to-School Blast – Celebrate the beginning of a new school year at the annual Back-To-School Blast. Students meet their teachers followed by a school-wide assembly and festivities.

Logos Prep admits students of any race, color, national and ethnic origin, or physical disability to all the rights, privileges, programs, and activities generally accorded or made available to students at the School. It does not discriminate on the basis of race, color, national and ethnic origin or physical disability in the administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school administered programs.

Enrollment

Logos Prep welcomed 623 students in the Fall of 2025, an increase of about 15% since the 2021-22 school year. Logos Prep is currently at full operational capacity at its Non-Pledged Campus and has limited seats available to new students.

Applications & Matriculation. The following table shows the number of applications received and open seats, by grade, at Logos Prep in the years listed below. Logos Prep does not accept new applicants for 11th and 12th grades. As shown below, over the past two years, the average matriculation for applicants at Logos Prep was approximately 72%.

TABLE 7
APPLICATIONS AND OPEN SEATS
2024-25 and 2025-26

	<u>2024-25</u>				<u>2025-26</u>			
	<i>Total Enrollment</i> (A)	<i>Returning Students</i> (B)	<i>New Students</i> (A) – (B)	<i>Applications</i>	<i>Total Enrollment</i> (A)	<i>Returning Students</i> (B)	<i>New Students</i> (A) – (B)	<i>Applications</i>
Kindergarten	31	--	31	39	49	--	49	58
1st	38	27	11	18	40	28	12	16
2nd	40	37	3	5	42	36	6	7
3rd	35	28	7	8	43	37	6	13
4th	43	39	4	7	35	32	3	7
5th	35	31	4	7	45	41	4	8
6th	46	36	10	14	44	33	12	18
7th	57	50	7	9	51	41	10	16
8th	60	54	6	6	58	54	4	7
9th	53	45	8	10	53	45	8	13
10th	54	49	5	7	53	47	6	10
11th ⁽¹⁾	62	62	--	--	49	49	--	--
12th ⁽¹⁾	47	47	--	--	61	61	--	--
Total	601	505	96	130	623	504	120	173

⁽¹⁾ Logos Prep does not accept new applications for 11th and 12th grade.
Source: Logos Prep.

Wait Pool. When the number of qualified applicants exceeds available spaces, a wait pool is established for students who may be offered admission if an opening occurs. The wait pool is an unranked list of candidates who are academically strong but for whom no seats were available in the initial offer round.

Applicants who meet the School’s admission criteria but cannot be offered a seat due to space limitations may be offered a place in the wait pool. Families must accept the offer to remain active in the pool. Placement in the Wait Pool indicates that the student is eligible for admission should an opening occur. If no space becomes available by May 15, Wait Pool status will expire, and families are invited to reapply for the following school year. A waiver for next year’s application fee may be offered to those who remain active in the pool.

The Wait Pool is first being established by the School for the 2026-27 application cycle; in prior years, no wait pool or wait list was maintained. Accordingly, no wait list data are available for the 2025-26 school year or prior school years.

Historical and Projected Enrollment. Since the 2021-22 school year, Logos Prep’s current enrollment has grown by 83 students (an approximate 15% increase). Importantly, kindergarten enrollment has grown 145% (from 20 to 49) since the 2021-22 school year, and is projected to grow an additional 22% by the 2033-34 school year.

The following table shows Logos Prep’s enrollment figures for the past five school years, the current year and projected enrollment for the next eight school years (2021-22 through 2033-34). Logos Prep expects to reach a projected stable enrollment of approximately 880 students by the 2033-34 school year. For the 2030-31 fiscal year (the first year of maximum annual debt service on the Bonds), breakeven enrollment to achieve a Debt Service Coverage Ratio of 1.10 to 1.00 is expected to be required to be at least 700, and a Debt Service Coverage Ratio of 1.00 to 1.00 would require a projected enrollment of at least 675, based on current projections of operating expenses and revenues.

TABLE 8
HISTORICAL AND FUTURE PROJECTED ENROLLMENT
2021-22 through 2033-34

Grade	Historical				Current	Projected							
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
PreK	--	--	--	--	--	--	--	8	16	24	24	30	30
K	20	32	31	31	49	48	48	48	53	53	55	55	60
1	35	30	38	38	40	48	50	50	50	57	56	60	64
2	29	37	30	40	42	40	50	52	53	52	60	60	64
3	34	28	40	35	43	42	44	52	55	56	55	62	64
4	40	30	34	43	35	45	45	45	55	57	60	58	64
5	35	48	39	35	45	35	48	48	48	57	60	63	64
6	42	53	55	46	44	50	40	50	50	51	60	65	66
7	53	56	63	57	51	50	53	46	53	55	55	65	70
8	59	57	55	60	58	51	55	55	49	56	59	60	70
9	51	64	54	53	53	58	56	60	58	53	65	60	65
10	46	58	67	54	53	55	60	60	64	65	60	70	63
11	57	54	49	62	49	54	55	60	60	64	65	65	70
12	39	56	50	47	61	49	52	55	60	60	64	65	65
Total	540	603	605	601	623	625	656⁽¹⁾	689⁽¹⁾	724⁽¹⁾	760⁽¹⁾	798⁽¹⁾	838⁽¹⁾	879⁽¹⁾
					% Change	1%	5%	5%	5%	5%	5%	5%	5%

⁽¹⁾ Assumes completion of the Project prior to the start of the 2027-28 school year. The School is presently operating at a maximum enrollment in its current facilities.

Source: Logos Prep.

Projected Enrollment Growth. From Logos Prep’s earliest days, enrollment demand exceeded available space, prompting a relocation to Sugar Creek Baptist Church in the School’s third year. That move resulted in immediate enrollment growth, followed by continued expansion as additional space became available both at Sugar Creek Baptist Church and later at Faith Lutheran for lower elementary grades. Each increase in capacity was quickly filled, and for nearly two decades Logos Prep has grown without advertising, relying entirely on word of mouth.

Recognizing the opportunity and responsibility to more intentionally share its story, Logos Prep has incorporated admissions and marketing strategy into its current strategic plan. Leadership prioritized strengthening admissions practices first, ensuring consistent messaging and careful cultivation of families aligned with the School’s mission and culture.

In 2025, a team was established to develop a comprehensive marketing and brand awareness plan for Fort Bend County and surrounding areas. This work is informed by proven frameworks and professional training attended by administrators. Initial efforts, such as digital marketing materials, are already underway.

By the end of the 2025–26 school year, Logos Prep plans to begin implementing a comprehensive marketing strategy, supported by allocated budget resources and the planned hiring of an Advancement Director by 2027–28. Building on its history of organic growth and guided expansion, Logos Prep is confident in its ability to grow sustainably into new space while preserving its mission, culture, and financial health. Logos Prep expects to grow enrollment organically over the next several years and does not rely on more than five percentage growth annually to meet their targeted enrollment goals. See Table 7 above.

Additionally, as shown in Table 8 above, Logos Prep expects to begin offering a pre-kindergarten program to families beginning in the 2028-29 school year, opening with two sections of eight students each. The students will meet on Mondays and Wednesdays utilizing vacant classrooms from the School’s Tuesday/Thursday primary program. Enrollment priority will be given to siblings of current students. Logos Prep expect to limit enrollment to 8 students in year one and 16 students in year two, adding a third section in year three and a fourth section in year five.

Student Retention. Over the past five school years, the average student retention was approximately 90%. The following table sets forth the rate of student retention for Logos Prep, showing for each school year the percentage of returning students from the prior school year (excluding graduating students).

TABLE 9
STUDENT RETENTION
2021-22 through 2025-26

2020-21 to 2021-22	86%
2021-22 to 2022-23	90%
2022-23 to 2023-24	92%
2023-24 to 2024-25	92%
2024-25 to 2025-26	92%

Source: Logos Prep.

Tuition and Fees

Tuition and fees at Logos Prep are competitive with tuition and fees at the other independent schools in the area. Total annual cost of attendance at Logos Prep is typically one-third to one-half the cost of other K-12 private schools in Fort Bend County, Texas.

Historical & Future Tuition Increases. Logos Prep has increased its tuition by an average of 5% annually for the past four years and plans to increase its tuition by 5% next year and 8% for each year of the next five years thereafter. The following table shows the tuition cost by the School for the past four years, the current year and the projected cost for the next four years. Logos Prep understands that its current weighted average tuition of \$7,788 is one-third to one-half of the tuition at other private schools in Fort Bend County. See “SERVICE AREA AND COMPETITION – Competitive Schools” herein.

TABLE 10
HISTORICAL AND FUTURE PROJECTED TUITION
2021-22 through 2029-30

Grade	Historical				Current		Projected		
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Kindergarten	\$5,650	\$5,875	\$6,000	\$6,200	\$6,575	\$7,101	\$7,669	\$8,283	\$8,945
1-2	\$4,950	\$5,145	\$5,335	\$5,540	\$5,860	\$6,329	\$6,835	\$7,382	\$7,972
3-5	\$5,055	\$5,250	\$5,455	\$5,630	\$5,980	\$6,458	\$6,975	\$7,533	\$8,136
6	\$5,685	\$5,920	\$6,155	\$5,320	\$5,660	\$6,113	\$6,602	\$7,130	\$7,700
7-8	\$7,175	\$7,450	\$7,725	\$8,025	\$8,500	\$9,180	\$9,914	\$10,707	\$11,564
9-12	\$8,690	\$9,020	\$9,350	\$9,700	\$10,270	\$11,092	\$11,979	\$12,937	\$13,972
Weighted Average	\$6,382	\$6,769	\$7,035	\$7,336	\$7,788	\$8,178	\$8,832	\$9,539	\$10,302
Percent Increase	--	6%	4%	4%	6%	5%	8%	8%	8%

Source: Logos Prep.

Financial Assistance

Tuition Discounts for Logos Prep Faculty & Staff. Historically, and in the past five years, Logos Prep has provided overall tuition discounts in the range of 7%-9%. Sixty percent (60%) of the tuition discount arises from tuition discounts for students of Logos Prep teachers and staff. These tuition discounts are provided to Logos Prep teachers and staff as a contractual benefit and Logos Prep believes it has been helpful in attracting and retaining talented teachers. It also helps offset the lower salary and benefits of its teachers. Students of Logos Prep Principals receive 100% discount, students of Logos Prep teachers and coaches receive 30% tuition discounts and students of all other employees receive 50% tuition discounts.

The following table shows the total and average tuition discounts provided to children of Logos Prep teachers and staff, as well as the total number of students receiving such discounts. In 2025-26, 98 students received the teacher or staff discount. The total tuition discounts for Logos Prep faculty and staff of \$260,094 in 2025-26 represents less than 6% of the total tuition received.

TABLE 11
TUITION DISCOUNTS FOR LOGOS PREP FACULTY & STAFF
2021-22 through 2025-26

School Year	Total Discounts Awarded	Total Students	Average Award
2021-22	\$197,866	86	\$2,301
2022-23	\$253,516	105	\$2,414
2023-24	\$223,458	92	\$2,429
2024-25	\$237,430	101	\$2,351
2025-26	\$260,094	98	\$2,654

Source: Logos Prep.

Needs-Based Financial Aid for Non-Faculty/Staff Students. Financial aid recipients apply for financial aid through the FACTS (Financial Aid by FACTS) process which helps private schools assess a family's need for tuition aid by having them complete an online application and submit tax info, which FACTS analyzes to provide a confidential report to the school; the school then uses this report, along with its own criteria to make the final aid decisions. Other criteria include students and family standing with the school and the age of students among other factors.

Aid is applied as a discount to tuition within the payment portal.

Financial aid at Logos Prep is typically a part of the yearly operating budget. There have been limited occasions where donors have donated toward students’ scholarships, but no formal program is in place to seek or distribute such contributions.

There is no other formal assistance provided by Logos Prep though families find external scholarships through programs such as ACE Scholarships.

The following table shows the amount of financial aid awarded by Logos Prep over the last five years, excluding employee discounts, as well as discounts on tuition awarded to families who pay the full year’s tuition in one or two payments. The total financial aid and discounts for tuition of \$167,016 in 2025-26 represents less than 3.5% of the total tuition received.

TABLE 12
TUITION DISCOUNTS (EXCLUDING EMPLOYEE DISCOUNTS)
2021-22 through 2025-26

<i>School Year</i>	<i>Financial Aid</i>			<i>Discounts for Payments</i>			<i>Total Discounts Awarded</i>
	<i>Total Financial Aid Awarded</i>	<i>Total Students</i>	<i>Average Award</i>	<i>Total Discounts Awarded</i>	<i>Total Students</i>	<i>Average Award</i>	
2021-22	\$63,375	14	\$4,527	\$70,892	252	\$281	\$134,267
2022-23	\$46,521	18	\$2,585	\$91,552	277	\$331	\$138,073
2023-24	\$64,156	20	\$3,208	\$91,984	273	\$337	\$156,140
2024-25	\$57,920	20	\$2,896	\$92,731	275	\$337	\$150,651
2025-26	\$66,892	28	\$2,389	\$100,124	269	\$372	\$167,016

Source: Logos Prep.

Texas Education Freedom Account

Established by the State legislature in 2025, the Texas Education Freedom Account (“TEFA”) program is a school choice program which provides State funds for parents to choose private schools or homeschooling. Managed by the Texas Comptroller of Public Accounts, the TEFA program provides funds into an account for use by parents for various educational needs including tuition, fees and other approved expenses.

The TEFA program was initially funded with an appropriation of \$1 billion in 2025 and will be made available to parents of participating children beginning in the 2026-27 school year. Parents can submit applications for the TEFA program beginning in February 2026. The amount available to each participating student is up to 85% of the statewide average amount of state and local funding per student in Texas public schools, which is up to \$10,474 per child for the 2026-27 school year. Students with disabilities who have an individualized education plan on file with their school district may receive up to \$30,000 per year.

If student applications exceed available funds, a lottery will determine which applicants will receive funding under the TEFA program. For the 2026-27 school year, applicants will be prioritized as follows:

- Children with a disability who are members of a household whose total annual income is at or below 500% of the Federal Poverty Level.
- Children who are members of a household whose total annual income is at or below 200% of the Federal Poverty Level.

- Children who are members of a household whose total annual income is between 200% and 500% of the Federal Poverty Level.
- Children who are members of a household whose total annual income is at or above 500% of the Federal Poverty Level. Children who were enrolled in a Texas public school or charter school for at least 90% of the prior school year will be prioritized within this group. Funds for children in this category may not exceed 20 percent of the amount of money appropriated from the program fund for that school year.

Private schools were able to begin applying to participate in the TEFA program in December 2025, with applications accepted on a rolling basis. To participate in the TEFA program, private schools must be located in Texas and meet the following eligibility requirements:

- Be an accredited school recognized by the Texas Private School Accreditation Commission or an accreditor recognized by the Texas Education Agency;
- Be a proven operator that has successfully run a campus for at least two years; and
- Administer a nationally norm-referenced assessment.

The School is a qualifying school under the TEFA program, and Logos Prep expects to participate in the TEFA program beginning school year 2026-27. As of February 2, 2026, there are 997 private schools in Texas that are participating in the TEFA program for the 2026-27 school year (excluding pre-kindergarten programs), including 281 in the Houston area. Logos Prep expects that the TEFA program may increase demand for private schools generally in Texas, however there can be no assurance that Logos Prep will experience an increase in student demand as a result of the implementation of the TEFA program.

ACADEMIC PROGRAMMING

Description of Programs

Logos Prep students have the option to take a variety of core classes and electives, as well as advanced placement and dual credit classes in partnership with Houston Christian University and The College of Biblical Studies. Additionally, they have access to an array of co-curricular opportunities and academic competitions. Each section of students from kindergarten to graduating seniors is uniquely structured in the University-Model® school with a balance of classroom instruction and time at home based on the students' abilities in specific grade levels.

A description of the courses offered by Logos Prep are included as Exhibit A (Primary and Elementary Course Descriptions) and Exhibit B (Secondary Course Descriptions) to this Appendix A.

Primary School. From kindergarten through second grade (“Primary” or “Primary School”), students attend core classes as well as recess, lunch, and outclasses that expose them to fine arts, physical education, and foreign language. Days not on campus, students are home working with their parents to complete assignments made by the classroom teachers.

In kindergarten, the primary academic focus is math and language arts as these provide an important foundation on which to build a strong academic career. Curriculum also includes hands-on science experiments, current events, and traditional American history, as well as biblical stories taught with truths applicable to their everyday lives. In addition to core academics, the daily schedule includes a time of morning assembly, recess, and an outclass. First and second grade students continue to improve their reading skills by participating in daily leveled reading groups that encourage greater comprehension, learning additional word attack strategies, and gaining increased fluency. They learn to recognize patterns, use manipulatives to explore numbers, exercise

mental math, memorize both addition and subtraction facts 0-12 to apply in a timely manner moving on to multiplication and division during the spring semester of second grade. Students become junior scientists as they explore more of their world through the scientific method. History comes to life as students study history from creation to the ascension and look experientially at Ancient Egypt, Greece, Rome, and China.

Logos Prep prioritizes the classroom, but also provides many other enriching experiences including a worship encounter called “Roar!”, a Veteran’s Day celebration, Go Texan Day, class parties, field day, kindergarten graduation, and more.

Elementary School. From third grade through sixth grade (“Elementary” or “Elementary School”), Elementary students attend classes where experienced classroom teachers provide purposeful teaching that promotes academic excellence, critical thinking, and a biblical worldview. Students are exposed to and encouraged to memorize a monthly scripture associated with a character trait. Scriptures are intentionally chosen to help students understand how they can become more Christ-like.

On average, students will spend approximately an hour in the satellite classroom, for every hour on campus in the central classroom.

Although the Elementary students keep the same Tuesday and Thursday central classroom days as they did in Primary School, each academic class is taught separately instead of the block style used in the younger grades. This technique fosters an avenue for Elementary students to continue to grow in their independence, master academic concepts, and apply critical thinking skills throughout all of their classes. Elementary teachers utilize varied teaching methods, such as hands-on experiments, stations, and collaboration groups, to help make learning come alive for the students. History and science teachers assign projects and oral presentations each semester to assist students in experiencing classroom topics at a deeper level. Periodic parent training is offered to equip the co-teachers (i.e. parents) for the satellite classroom days. In order to help with the transition to secondary days, the core classes for sixth grade are all one and a half hours long. In these classes, the curriculum is more difficult and important skills, such as note-taking, are integral to the class. During the second semester of sixth grade, students are required to take finals so they can practice the type of test-taking skills expected to be used at the secondary level.

Within Logos Prep’s Elementary program, there are a wide range of elective classes and student activities available to help grow leadership skills, build discipleship, and foster community. Students are encouraged to participate in afterschool clubs and competitions to help them learn resilience, risk-taking, and responsibility. Some examples include the Robotics Club, Chess Club, and Bible Club.

Elementary Essentials: Along with the Biblical integration and character traits that are taught in each classroom, elementary students also study six “Elementary Essentials” that go along with the spiritual theme for the year. New Elementary Essentials are introduced at “Roar!,” a monthly worship service that takes place before the school day begins. The students also memorize a verse to help them understand the Elementary Essential better and apply what they are learning at school to a deeper level at home with materials provided to the co-teachers.

Secondary School. From grades seven through twelve, students’ parents are no longer considered “co-teachers” (as they are in Primary School) or “private tutors” (as they are in Elementary School) but begin to transition their role into “encourager” in order to further the development of more independent learners.

Within the classroom, seventh grade students are developing their independence by taking ownership of their work and owning the responsibility of completion and submission. Seventh and eighth grade classes are designed to introduce topics and classes that will reappear in high school, laying a foundation for success. Students expand on concepts learned in Elementary and add on an increasing knowledge of organization and communication. Junior high students also have opportunities to be involved in extracurricular activities, including leadership organizations and athletics, which lead to an increased emphasis on time management.

High school students continue refining their skills in organization, time management, communication, and passion seeking. Logos Prep wants students to have exposure to different disciplines so their class loads can become more varied, both in subject and difficulty, with the introduction of AP and dual credit classes. There is a required Worldview Track, which takes students through Logic, Apologetics, and culminates in Worldview. It is designed to help students interact with the world beyond Logos Prep. Logos Prep also provides co-curricular academic opportunities such as robotics, language immersion trips, and TAPPS (defined below) academic and art competitions.

Seventh and eighth grade students begin to develop independence in the completion of assignments. Parents are encouraged to read each assignment sheet, structure time and place for completing work, offer assistance as needed, and verify that each assignment has been completed. Parents may spot-check work to confirm understanding of the practiced concept, but do not “pre-grade” assignments. Teachers use this opportunity for independent practice as an indicator of whether there is a need for re-teaching the concept.

Ninth and tenth grade students require supervision in order to help them develop disciplined study habits and personal responsibility. Parents monitor student assignments and discuss content as required. Opportunity for independent learning is based on the maturity and success of students. If students have problems turning work in on time or understanding the subject, the School believes it is the parents’ responsibility to enforce stricter accountability and provide the extra help that is needed.

Eleventh and twelfth grade students study independently, as required in post-secondary education programs. Parents are asked to be available to assist as needed with accountability.

Logos Prep has graduated five National Merit Scholars, 32 Commended Scholars, 17 National Hispanic Scholars, and seven African American Scholars. Graduates receive collectively an average of \$2 million in scholarships each year.

Athletic and Extracurricular Programming

Logos Prep Athletic Program Overview. The Logos Prep athletic program exists to help fulfill the purpose of the School by training, developing, and encouraging the students to strive and express the Christian life in the course of competition. While competing to win, the School views athletics as a valuable area in which to disciple the athletes and teach them to love and respect their teammates and opponents, while also preparing them for life’s challenges, and equipping them for success.

Logos Prep’s athletic program provides ample opportunity for its students to engage in a sport of their choice. For the 2025-26 school year, Logos Prep has 43 teams (20 for junior high students and 23 for high school students) in 10 different sports (football, volleyball, cross country, baseball, basketball, soccer, swimming, track, golf and tennis). For junior high sports, there are 8 sport teams for boys, 6 sport teams for girls and 1 coed sport team (soccer). For high school sports, there are 9 sport teams for boys and 8 sport teams for girls. In 2025-26, there were 427 players that participated in 43 sport teams (190 players in junior high sports and 237 players in high school sports).

Logos Prep athletics are competitive. The goal is to develop well-trained and well-coached athletes, and champions. To build champions, the School holds athletes accountable for their best physical performances. The School believes the better the student-athletes are physically, the more opportunities they will have to compete in district and state championships. Sixth graders have an opportunity to participate in a few select sports to get introduced to the secondary athletic experience.

Logos Prep Athletic Facilities. Logos Prep currently operates its athletics programs primarily at playing fields and gym facilities it leases from Fort Bend Independent School District (“Fort Bend ISD”). Logos Prep also leases a baseball field from the City of Sugar Land, tennis courts through Sugar Creek Country Club, and a pool from First Colony Neighborhood Association. Following the completion of the Project, Logos Prep expects

to continue to lease a stadium for track and field, as well as varsity football games, and expects to continue to lease the baseball field, tennis courts, and pool.

Logos Prep Student Participation Statistics. In 2025-26, there are 153 junior high students (grades 6-8) and 216 high school students (grades 9-12). There were 1.24 players per junior high student (190 players vs. 153 junior high students) and 1.10 players per high school student (237 players vs. 216 high school students). While there were many Logos Prep students that played multiple sports, this high player to student ratio (i.e. over 1:1) means that Logos Prep offers lots of sport engagement for its students. This fact provides an advantage to Logos Prep students when applying to college by being able to show extracurricular activities on their application.

The following table shows the sports teams offered by Logos Prep in junior high (“JH”) and high school (“HS”), as well as the number of students participating during the 2025-26 school year.

TABLE 13
ATHLETIC TEAMS
School Year 2025-26

<i>Junior High Sport</i>	<i>Number of Teams</i>	<i>Number of Students</i>	<i>High School Sport</i>	<i>Number of Teams</i>	<i>Number of Students</i>
JH Football (Boys)	1	12	HS Football (Boys)	2	28
JH Volleyball (Girls)	3	29	HS Volleyball (Girls)	2	19
JH Cross Country (Boys)	1	9	HS Cross Country (Boys)	1	9
JH Cross Country (Girls)	1	2	HS Cross Country (Girls)	1	5
JH Basketball (Boys)	3	26	HS Basketball (Boys)	2	17
			HS Basketball (Girls)	1	9
JH Soccer (Coed)	1	16	HS Soccer (Boys)	1	21
			HS Soccer (Girls)	1	16
JH Swim (Boys)	1	8	HS Swim (Boys)	1	12
JH Swim (Girls)	1	9	HS Swim (Girls)	1	19
JH Baseball (Boys)	2	23	HS Baseball (Boys)	1	11
JH Track (Boys)	1	13	HS Track (Boys)	1	16
JH Track (Girls)	1	9	HS Track (Girls)	1	11
JH Golf (Boys)	1	9	HS Golf (Boys)	1	9
JH Golf (Girls)	1	7	HS Golf (Girls)	1	5
JH Tennis (Boys)	1	9	HS Tennis (Boys)	2	10
JH Tennis (Girls)	1	9	HS Tennis (Girls)	3	20
Totals	20	190	Totals	23	237

Source: Logos Prep.

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Logos Prep competes in the Texas Association of Private and Parochial Schools (“TAPPS”), with a membership of over 230 schools. Logos Prep has had the following successes:

ATHLETIC SUCCESSES		
STATE CHAMPIONSHIPS	STATE RUNNERS UP	STATE TOP FOUR
Boys Swimming - 2024, 2021, 2011, 2009, 2008	Girls Swimming - 2024, 2023, 2022, 2019, 2018, 2014	Boys Swimming - 2023, 2020, 2019, 2015, 2010
Girls Golf - 2024, 2008	Girls Tennis - 2023	Girls Tennis - 2022
6-Man Football - 2022	Girls Golf - 2023, 2009	Girls Golf - 2021
Girls Swimming - 2025, 2021, 2020	Boys Tennis - 2022	Boys Golf - 2019
Girls Tennis - 2015, 2013	Boys Cross Country - 2022, 2021	Boys Basketball - 2018, 2012
	Cheer - 2020	Girls Soccer - 2016
	Boys Golf - 2018	Girls Swimming - 2015
	Boys Swimming - 2018	6-Man Football - 2013
	Boys Baseball - 2015	
	Boys Track & Field - 2012	

Logos Prep Extracurricular Program Overview. Logos Prep offers a range of extracurricular programming, including academic competitions, robotics, bible studies, chess club, LIGHT (Leaders Inspiring Godly Habits Together), Crew (Christians Ready Equipped and Willing), House System, which is the six junior high houses that represent the Logos Prep core values: Oikos (Family), Koinonia (Community), Mathetes (Discipleship), Fides (Faith), Integritas (Integrity), and Arete (Excellence), and the six high school houses that represent the tribes of Israel, Secondary Retreat, AV/Broadcasting Club, Canvas Club, C2 (Connecting Together), National Honor Society, One Act Play, SALT, Multicultural Club and Study Abroad. Logos Prep also offers cheer for grades 7 -12, drill team for grades 9 - 12, and drumline for grades 9 - 12.

Leadership Training & Development for Logos Prep Students

Begins with Voluntary, All-Inclusive Opportunity. In sixth grade, students are given the opportunity to be members of LIGHT (Leaders Inspiring Godly Habits Together). Every student who has a desire to be in LIGHT goes through the admission process and becomes a member. LIGHT students spend their time serving both within the walls of Logos Prep and out in the community.

Continues with Added Accountability, Responsibility. A step further in practicing initiative is the application and interview process to become a member of CREW (Christians Ready Equipped and Willing), the junior high student leadership team. This is the second stop in the leadership journey. CREW members serve Logos Prep in various capacities, including Back-to-School Blast, Parent Information Meetings, and campus Bible studies where they lead their peers in lessons that they themselves have prepared.

CREW focuses on self-advocacy skills and responsibility when working with faculty sponsors and members of the community. In junior high, Logos Prep is helping students build the foundation for leading. However, Logos Prep is also teaching practical responsibilities that are intended to benefit them as they move into high school.

Opportunities Abound in High School. Upon entering high school, students are given a myriad of leadership opportunities. Some are tied to teams or clubs in which students may choose to invest themselves. Others are part of the School’s overall school culture. Students interested in serving as a leader or an officer in a high school organization must join SALT, a student leadership training program, where students focus on biblical leadership and discipleship. The program examines the life of Jesus and how He modeled true servant leadership and teaches what that type of leadership should look like at Logos Prep.

High school houses provide students with places of connection and opportunities for peer-selected leadership. All high school students are inducted into the house system in which they serve, compete, and lead one another by serving as elected officers. Within these houses, our students celebrate one another, support one another, grow in their faith together, and compete for the House Cup.

Logos Prep students can also be inducted into National Honor Society, which recognizes those students who have demonstrated excellence in the areas of scholarship, service, leadership, and character. Students may also lead by serving as elected officers in National Honor Society.

Awards and Recognition

Logos Prep has received various awards and recognitions in recent years:



2021 National Blue Ribbon School (“Exemplary High Performing School”⁽¹⁾ category)

Logos Prep was one of two private school winners in the State of Texas and one of 325 school winners nationwide



Best of the Best K-12 Private Schools in Houston (2025)

Logos Prep was recognized as one of 14 private schools in the Houston area



“A” Overall Niche Grade

Logos Prep is recognized by Niche as a top 3 private K-12 school in the Fort Bend County area and top 20 private K-12 school in the Houston area



Certified Best Christian Workplaces (2023, 2024, and 2025)

Over the past three years, Logos Prep has consistently been one of the nation’s top scoring schools within the Best Christian Workplace framework.

⁽¹⁾ Exemplary High Performing Schools are among their state’s highest performing schools as measured by state assessments or nationally normed tests.

Accreditation and Memberships

Logos Prep has met the respective criteria for educational quality established by each of the following:



NAUMS, INC. University-Model® Schools International
Logos Prep has been certified since 2008

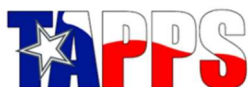
Logos Prep is a member of Texas Association of Private & Parochial Schools (“TAPPS”). Founded in 1978, TAPPS is the governing body for interscholastic athletics, academics and fine arts for 230 private schools (serving 40,000 students) in the State of Texas.



Global accreditation organization serving 40,000 public and private schools worldwide since 1895

Logos Prep has been accredited since 2009

TEPSAC is recognized by the Texas Education Agency since 1986 as a confederation of accrediting associations (Cognia is a part of) whose purpose is to maintain accreditation standards among its members



The School was first accredited by CITA (now Cognia) in 2009. It was most recently affirmed in 2021 and is currently operating with a 6-year term of accreditation.

ACADEMIC PERFORMANCE

Logos Prep high school students outperform their peers nationally and within the state on the American College Test (“ACT”) and Scholastic Aptitude Test (“SAT”). Over the past five years, Logos Prep students have averaged 24 on the ACT and 1256 on the SAT which are 22% and 26% above the state averages, respectively. Logos Prep students in ninth grade take the PSAT 8/9, tenth grade students take the PSAT 10, while eleventh grade students may take the PSAT, NMSQT, SAT and/or ACT, and twelfth grade students may take the SAT and/or ACT.

TABLE 14
ACT/SAT PERFORMANCE
2020-21 through 2024-25

<i>School Year</i>	ACT Average			SAT Average		
	<i>National</i>	<i>Texas</i>	<i>Logos Prep</i>	<i>National</i>	<i>Texas</i>	<i>Logos Prep</i>
2020-21	20	20	23	1060	1003	1232
2021-22	20	20	24	1050	1001	1232
2022-23	20	19	24	1028	978	1315
2023-24	20	20	24	1060	1003	1315
2024-25	19	19	25	1043	1003	1186
Averages	20	20	24	1048	998	1256

Source: Logos Prep.

The following table shows the number of advanced placement (“AP”) examinations taken by Logos Prep students, as well as the percentage of such exams on which students scored “3” or higher.

TABLE 15
AP EXAMINATION PERFORMANCE
2022-23 through 2024-25

<i>School Year</i>	<i>Number of Exams</i>	<i>% of Score 3 or Higher</i>
2022-23	46	84%
2023-24	69	83%
2024-25	73	79%

Source: Logos Prep.

Graduation Requirements and College Placement

Logos Prep offers two diploma options. Candidates must successfully complete the course requirements and earn a minimum of ten credits at Logos Prep during their junior and/or senior year(s), of which six credits must be selected from the core academic classes for both options. Students who do not attend Logos Prep their junior year may still earn a Logos Prep diploma if they complete seventy-five percent of their required coursework at Logos Prep. Students must maintain a grade point average of 2.0 or above. All academic courses are designed with college preparatory rigor.

Students are also required to take either the ACT or the SAT to graduate from Logos Prep.

In the past three years, Logos Prep has had a total of 155 graduates, 100% of whom were accepted to college and 98% of whom enrolled in college. Of the three graduates that did not attend college, one attended trade school, one became a certified doula and one became a firefighter. Logos Prep graduates have been admitted to the following schools (among others):

Abilene Christian University	Harvard University	Samford University	University of Delaware
Auburn University	Houston Christian University	Southwestern University	University of Houston
Baylor University	Kansas State University	Spelman College	Univ. of Mary Hardin-Baylor
Belmont University	Lamar University	Syracuse University	University of Massachusetts
Blinn College	Louisiana State University	Tarleton State University	University of Mississippi
California State University	Louisiana Tech University	Texas A&M University	University of Notre Dame
Colorado Christian Univ.	Massachusetts Inst. of Tech.	Texas Christian University	University of Texas Austin
Columbia University	Mass. Maritime Acad.	Texas State University	University of Texas Dallas
Dallas Baptist University	Milwaukee School of Eng.	Texas Tech University	University of Tulsa
Duke University	Mississippi State University	Trinity University	University of Washington
East Texas Baptist Univ.	Ohio Wesleyan University	Tulane University	Virginia Military Institute
Ferris State University	Oral Roberts University	U.S. Naval Academy	West Point
Florida A&M University	Pepperdine University	University of Alabama	William and Mary
Franciscan University	Prairie View A&M Univ.	Univ. of Alabama-Birmingham	Yale University
Grenoble Sch. of Bus. Mgmt.	Rice University	University of Arkansas	
Harding University	Sam Houston State Univ.	University of Dallas	

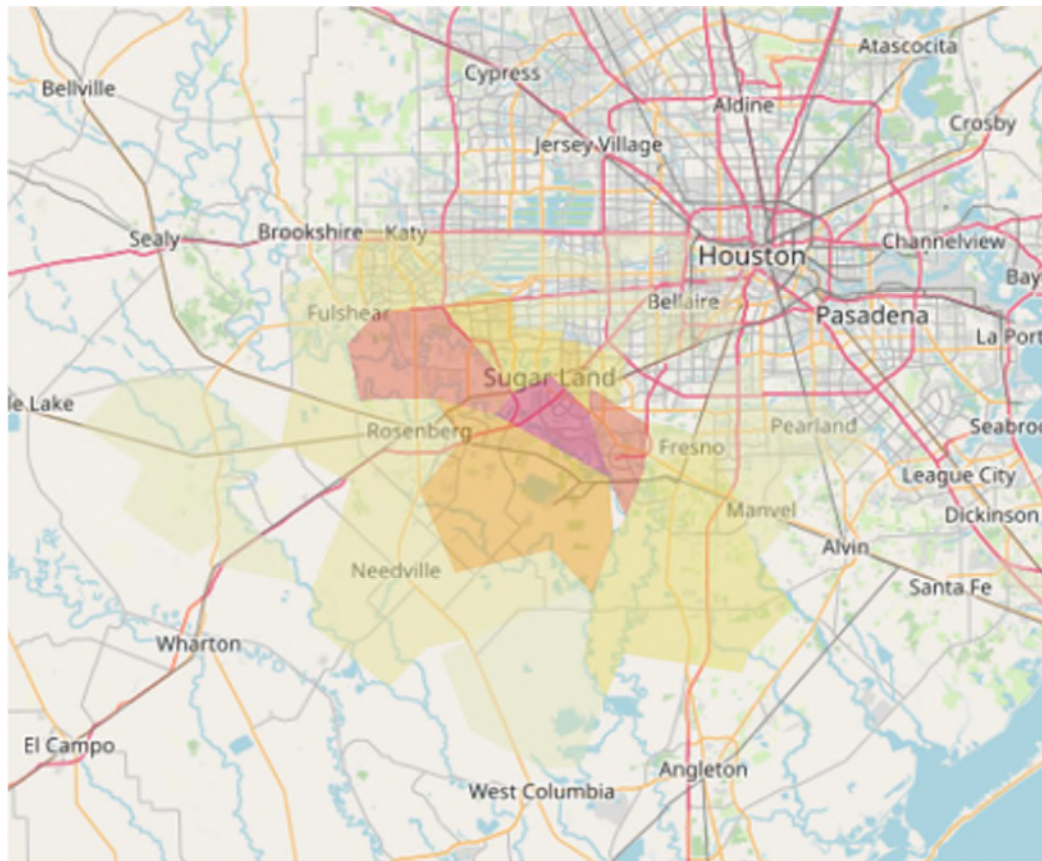
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SERVICE AREA AND COMPETITION

Service Area

Student Distribution by Zip Code. Out of the 623 Logos Prep students, 87.0% reside in the geographic boundaries of Fort Bend Independent School District (ISD), 5.5% reside in the geographic boundaries of Lamar ISD and the remaining 7.5% reside in other districts. The following heatmap shows where the School's student body for the school year 2025-26 resides.

FIGURE 3
ENROLLMENT HEAT MAP
2025-26



Source: Logos Preps.

The New Campus Location Is Closer to Current Logos Prep Students. Logos Prep's reach extends significantly beyond a localized neighborhood: a regional destination for families across the area. Currently, the School maintains a powerful geographic draw, with 22% of the student body commuting over 15 miles to attend. With a current average commute of 11.83 miles, families are willing to undertake substantial travel to access the Logos Prep curriculum, underscoring the value that Logos Prep brings to families.

Logos Prep historically draws families and students from many miles away from its two existing campuses (Brooks Campus and 59 Campus). In Houston metro area, it is common for families that live in the suburbs to travel many miles to drop their students off at high quality schools. More than 85% of the Logos Prep students commute more than 5 miles to attend the School.

Many students live between 5-15 miles away based on the analysis of current commute data of students attending Logos Prep in the 2025-26 school year. The table below shows the percentage of students that live 5, 10, 15 miles away from the New Campus (adjacent to the Brooks Campus) and the 59 Campus.

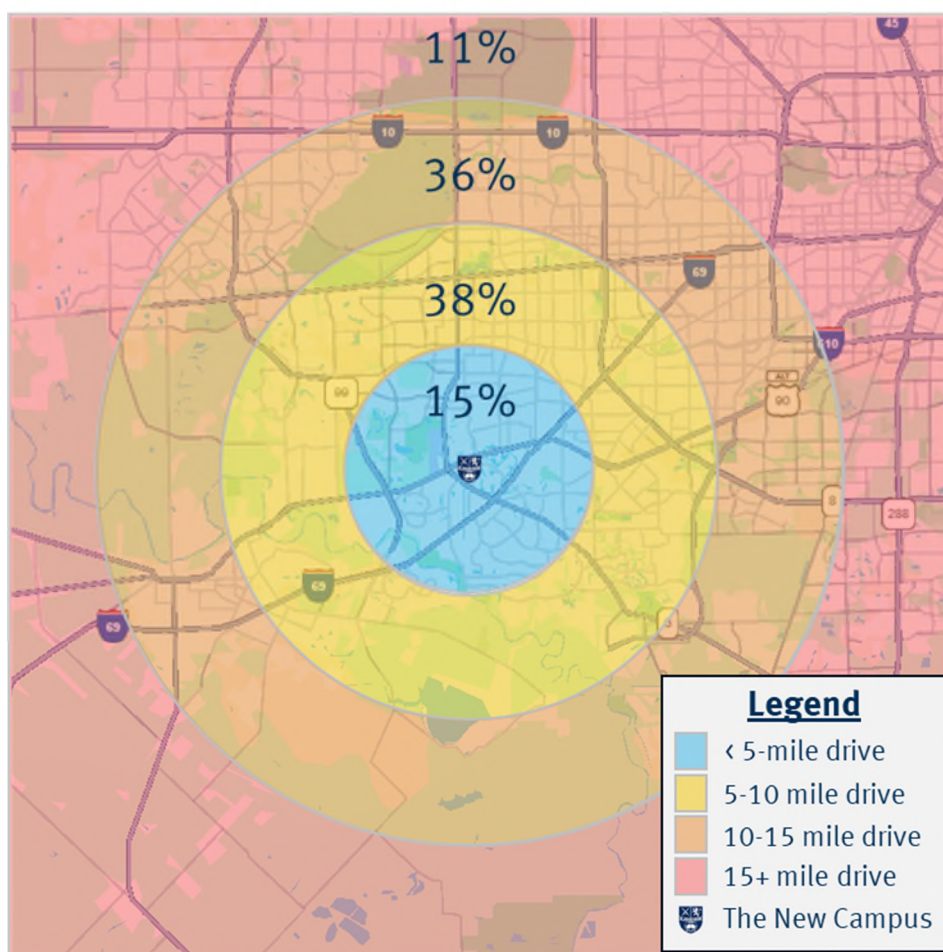
Campus Radius ⁽¹⁾ (mi)	New Campus			59 Campus		
	5 Miles	10 Miles	15 Miles	5 Miles	10 Miles	15 Miles
Entire Student Body	15%	53%	89%	12%	40%	75%
Brooks Campus Students	13%	47%	82%	15%	31%	67%
59 Campus Students	16%	55%	91%	12%	43%	77%

⁽¹⁾ Radius based on travel distance for the quickest route as determined by Google Maps, not straight-line distance.

Source: Logos Prep.

The campus consolidation will improve daily commute time for the entire student population, as 89% of Logos Prep students live within 15 miles of the New Campus versus 75% of Logos Prep students live within 15 miles of the 59 Campus. The consolidation of Logos Prep's school onto the New Campus will reduce the average driving distance from 11.83 miles to 10.14 miles based on 2025-26 student commuting data.

The figure below visualizes where students live relative to the New Campus.



*Radii are approximated based on driving distance. Student residences may not align with visualization.

Competitive Schools

The majority of Logos Prep students traditionally come from public schools. The School also serves students transitioning from homeschooling and a small number of local private schools. These private schools include Cornerstone Christian Academy, Second Baptist University Model, Fort Bend Christian Academy, Trinity Classical School, Calvary Episcopal, Divine Savior, Saint Constantine School, and St. Laurence.

Additionally, families new to Logos Prep have reported considering Veritas Academy of Houston in Bellaire and The Kinkaid School in Piney Point Village. Students who leave Logos Prep and remain in the area typically transition to public school or homeschooling, although there are a few instances of students transferring to one of the private schools listed above.

The following table provides information regarding the School and certain K-12 private schools that Logos Prep believes are the School's chief competitors.

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**TABLE 16
COMPETITION**

<i>School</i>	<i>Fall 2025 Enrollment⁽¹⁾</i>	<i>Grades Served⁽¹⁾</i>	<i>Annual Tuition⁽²⁾</i>	<i>Average Tuition⁽³⁾</i>	<i>Niche Grade⁽⁴⁾</i>	<i>Avg. SAT Score⁽¹⁾</i>	<i>Distance to Campus</i>
Logos Prep	623	K-12	K-2 – \$6,039 3-6 – \$5,820 7-8 – \$8,500 High – \$10,270	\$7,788	A	1256	--
Cornerstone Christian Academy 2140 First Colony Blvd, Sugar Land	330	PK-9 ⁽⁵⁾	K – \$16,210 1-3 – \$17,460 4 – \$17,730 5-8 – \$18,410 9 – \$21,990	\$18,360	A-	N/A	1.4
Fort Bend Christian Academy 1250 7th St, Sugar Land	844	PK-12	PK-K – \$17,220 1-4 – \$18,600 5-8 – \$21,120 9-12 – \$24,780	\$20,430	A+	1280	2.6
St. Laurence Catholic School 2630 Austin Pkwy, Sugar Land	697	PK-8	PK-K – \$10,675 1-4 – \$10,725 5-8 – \$11,020	\$10,807	A	N/A	3.3
Calvary Episcopal Preparatory 1201 Austin St, Richmond	193	PK-12	K-5 – \$15,759 6-8 – \$16,915 9-12 – \$20,698	\$17,790	A+	1200	9.7
Divine Savior Academy 770 Waters Lake Blvd, Missouri City	428	PK-12	K – \$14,155 1-2 – \$15,020 3-5 – \$15,535 6-8 – \$16,105 9-12 – \$18,130	\$15,789	A-	--	12.6
Saint Constantine School 7177 Regency Square Blvd, Houston	375	PK-12	PK-5 – \$15,550 6-12 – \$16,550	\$16,050	A	1200	13.6
Veritas Academy of Houston 7000 Ferris St, Bellaire	197	K-8	K – \$16,700 1-4 – \$18,600 5-8 – \$20,300	\$18,533	A+	N/A	14.2
Second Baptist School University-Model® 11750 Memorial Dr, Houston	361	PK-12	PK-4 – \$6,360 5-8 – \$9,240 9-12 – \$10,740	\$8,780	B-	1280	15.7
Kincaid School 201 Kinkaid School Dr, Houston	1,469	PK-12	PK-4 – \$30,580 5-8 – \$35,830 9-12 – \$37,105	\$34,355	A+	1410	16.1

(1) Source: www.niche.com for all schools other than the School; Logos Prep for information relating to the School.

(2) Source: Applicable school's website.

(3) Weighted averaged for Logos Prep. Simple Average of all tuition amounts across grade spans for other schools.

(4) Expected to expand to serve students through grade 12.

(5) Source: www.niche.com.

Sugar Land and Fort Bend County

The following is general demographic and economic information relating to the City of Sugar Land and Fort Bend County.

TABLE 17
POPULATION ESTIMATES
City of Sugar Land and Fort Bend County
2020 through 2024

City of Sugar Land

<i>Year Ending (July 1)</i>	<i>Population</i>	<i>Annual % Growth</i>
2020	110,844	--
2021	109,683	-1.0%
2022	110,001	0.3%
2023	109,801	-0.2%
2024	109,851	0.0%

Fort Bend County

<i>Year Ending (July 1)</i>	<i>Population</i>	<i>Annual % Growth</i>
2020	829,335	--
2021	860,626	3.8%
2022	893,319	3.8%
2023	927,120	3.8%
2024	958,434	3.4%

Source: U.S. Census.

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TABLE 18
LABOR FORCE AND UNEMPLOYMENT
City of Sugar Land and Fort Bend County
2021 through 2025

City of Sugar Land

<i>Year</i>	<i>Civilian Labor Force</i>	<i>Total Employment</i>	<i>Unemployment</i>	<i>Rate</i>
2021	59,175	56,035	3,140	5.3%
2022	60,676	58,532	2,144	3.5%
2023	62,565	60,395	2,170	3.5%
2024	56,535	54,374	2,161	3.8%
2025 ⁽¹⁾	57,273	55,180	2,093	3.7%

Fort Bend County

<i>Year</i>	<i>Civilian Labor Force</i>	<i>Total Employment</i>	<i>Unemployment</i>	<i>Rate</i>
2021	409,265	385,179	24,086	5.9%
2022	419,021	402,341	16,680	4.0%
2023	432,297	415,144	17,153	4.0%
2024	470,816	451,442	19,374	4.1%
2025 ⁽¹⁾	477,581	458,133	19,448	4.1%

⁽¹⁾ Through March 2025.

Source: Texas Employment Commission.

TABLE 19
NEW BUILDING AND CONSTRUCTION PERMITS
City of Sugar Land
2016 through 2024

<i>Year</i>	<i>New Commercial Construction Value</i>	<i>New Residential Construction Value</i>
2016	\$93,021,183	\$67,562,184
2017	\$103,410,115	\$72,736,817
2018	\$163,554,817	\$70,378,761
2019	\$87,387,700	-- ⁽¹⁾
2020	\$134,581,953	-- ⁽¹⁾
2021	\$56,446,371	-- ⁽¹⁾
2022	\$160,751,963	-- ⁽¹⁾
2023	\$105,061,910	-- ⁽¹⁾
2024	\$50,449,020	-- ⁽¹⁾

⁽¹⁾ Beginning in 2019, the City no longer collects new residential construction value due to State legislation.

Source: City of Sugar Land.

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TABLE 20
HOUSEHOLD INCOME AND HOME VALUES
City of Sugar Land, City of Houston, Fort Bend County and State of Texas
2021 through 2024

City of Sugar Land

<i>Year Ending (July 1)</i>	<i>Median Household Income</i>	<i>Median Home Value</i>
2021	\$130,765	\$427,900
2022	\$142,304	\$426,200
2023	\$137,055	\$446,300
2024	\$133,466	\$472,000

City of Houston

<i>Year Ending (July 1)</i>	<i>Median Household Income</i>	<i>Median Home Value</i>
2021	\$56,019	\$211,700
2022	\$60,426	\$235,000
2023	\$62,637	\$253,400
2024	\$64,361	\$277,800

Fort Bend County

<i>Year Ending (July 1)</i>	<i>Median Household Income</i>	<i>Median Home Value</i>
2021	\$111,765	\$369,600
2022	\$112,764	\$376,900
2023	\$108,539	\$395,400
2024	\$114,876	\$408,100

State of Texas

<i>Year Ending (July 1)</i>	<i>Median Household Income</i>	<i>Median Home Value</i>
2021	\$67,400	\$234,300
2022	\$75,300	\$267,900
2023	\$75,800	\$280,600
2024	\$79,721	\$309,450

Source: U.S. Census.

FINANCIAL AND OPERATING DATA

Budgeting and Accounting

Audited Financial Statements. Audited financial statements for Logos Prep for the Fiscal Years ended May 31, 2025 and 2024 (the “Audit”) are included as Appendix B to the Limited Offering Memorandum. Logos Prep presently employs Dennison CPA, PC (the “Auditor”), as its independent auditor. The Auditor has not been engaged to perform and has not performed, since the date of the Audit, any procedures on the financial statements addressed in the Audit. The Auditor also has not performed any procedures relating to the Limited Offering Memorandum.

The Auditor identified one material weakness and several significant deficiencies relating to Logos Prep's internal control over financial reporting, which findings are disclosed in the Auditor's Management Communication of Findings and Management Letter dated December 23, 2025 (the "Auditor Letter"), included in Appendix B to this Limited Offering Memorandum. Logos Prep leadership intends to implement the recommendations of the Auditor set forth in the Auditor Letter, and the Board has begun discussions about the importance of hiring a Business Manager to align Logos Prep's financial management infrastructure in support of future School growth and compliance with its debt covenants going forward. Logos Prep leadership believes that it will be able to fill the Business Manager position sometime in 2026.

Budgeting. Logos Prep has historically adopted conservative budgets that have resulted in positive net financial results at the year end. The following tables presents the deviation between actual unrestricted revenues and expenditures from the adopted budget over the past two Fiscal Years.

Historical Budget-To-Actual Results

TABLE 21
2023-24 BUDGET VS. ACTUAL FINANCIALS

	<i>Actual</i>	<i>Budget</i>	<i>Difference</i>
Revenue			
Tuition (Net of Discounts)	\$3,892,249	\$3,857,000	\$35,249
Fee Revenue	382,961	382,000	961
Student Resources	(7,596)	(11,000)	3,404
Athletics	52,681	22,000	30,681
Spirit	25,729	13,500	12,229
Total Income	4,346,023	4,263,500	82,523
Expenses			
Salaries & Benefits	\$2,649,982	\$2,675,000	\$(25,019)
Rent	333,669	334,000	(331)
Academic Expenses	164,394	178,600	(14,206)
Insurance	179,186	210,000	(30,814)
Technology	8,092	12,000	(3,908)
Administrative Costs	251,931	289,400	(37,469)
Professional Fees	37,259	55,000	(17,741)
Depreciation	68,289	70,000	(1,711)
Total Operating Expenses	3,684,709	3,812,000	(127,291)
Net Operating Surplus	\$661,314	\$451,500	\$209,814
Other Income (Net)			
Field Trips	550		
Fundraising	357,244		
Spirit Store	930		
Miscellaneous	907,617		
Investment	246,250		
Total Other Income	1,512,591		
Net Income	\$2,173,905		

Source: Logos Prep.

Management Discussion of 2023-24 Budget to Actual Financials. For the period ended May 31, 2024, Logos Prep's financial performance was generally consistent with the approved operating budget. Tuition and other revenues exceeded budget expectations, and expenses were modestly lower due to conservative estimates. There was a significant difference in non-operating income, non-budgeted items, because of Employee Retention

Credit (ERC), a government relief measure for employers retaining employees during the COVID-19 pandemic, contributions and interest income. For about \$900,000, \$350,000 and \$250,000 respectively. Overall, Logos Prep maintained a positive operating margin and continues to demonstrate sound financial stewardship.

Revenue. Total revenue for the period was \$4.3 million, exceeding the budgeted amount of \$4.2 million by \$82,000 (1.93%). Tuition and fees exceeded budget based on the net of:

- students adding classes or new students being added; and
- refunds from students dropping or new students leaving the school.

Management continues to closely monitor enrollment trends and tuition discounting to ensure long-term financial sustainability.

Expenses. Total expenses for the period were \$3.6 million, compared to a budget of \$3.8 million, resulting in a favorable variance of \$127,000 (3.34%).

- Personnel costs including salaries and benefits, were \$25,000 below budget, reflecting conservative estimates of preparation costs and net of withholding teacher pay for absences verses the cost of substitutes.
- Administrative and general expenses were \$102,000 below budget resulting from having to estimate items including insurance \$31,000 below budget and professional fees \$18,000 below budget.

Management is actively reviewing staffing levels and discretionary spending to ensure alignment with enrollment and program needs.

Operating Results. Logos Prep generated an operating surplus of \$600 000, compared to a budgeted surplus of \$400,000, resulting in a favorable variance of \$200,000. The surplus reflects disciplined financial management while continuing to invest in academic excellence and student experience.

Liquidity and Reserves. Logos Prep continues to maintain adequate cash reserves to support operations and capital needs. Management monitors liquidity ratios and reserve levels to ensure financial stability and compliance with best practices for independent schools.

Change in Net Assets. Logos Prep reported an increase in net assets of \$1.8 million, compared to a budgeted increase of \$450,000, resulting in a favorable variance of \$1.72 million. This results from \$200,000 from operations, \$900,000 from ERC, \$350,000 from contributions, and \$250,000 from interest income.

Restricted Funds. Restricted revenues were received in accordance with donor intent. Expenses charged to restricted funds were aligned with program activities, and no material variances or compliance issues were identified. Management continues to ensure timely and appropriate use of restricted resources.

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TABLE 22
2024-25 BUDGET VS. ACTUAL FINANCIALS

	<i>Actual</i>	<i>Budget</i>	<i>Difference</i>
Revenue			
Tuition (Net of Discounts)	\$3,975,368	\$3,985,000	\$(9,632)
Fee Revenue	404,951	382,000	22,951
Student Resources	7,332	--	7,332
Athletics	22,243	7,500	15,743
Spirit	33,906	29,250	4,656
Total Income	4,444,798	4,403,750	41,048
Expenses			
Salaries & Benefits	\$2,883,058	\$2,908,250	\$(25,192)
Rent	355,190	357,000	(1,810)
Academic Expenses	170,790	182,400	(11,610)
Insurance	176,614	186,500	(9,886)
Technology	15,663	14,000	1,663
Administrative Costs	329,461	337,100	(7,639)
Professional Fees	45,737	55,000	(9,263)
Depreciation	75,877	76,000	(123)
Total Operating Expenses	4,036,728	4,102,250	(65,522)
Net Operating Surplus	\$408,070	\$301,500	\$106,570
Other Income (Net)			
Field Trips	2,777		
Fundraising	735,576		
Spirit Store	920		
Miscellaneous	(42,923)		
Investment	305,115		
Total Other Income	1,001,465		
Net Income	\$1,409,535		

Source: Logos Prep.

Management Discussion of 2024-25 Budget to Actual Financials. For the period ended May 31, 2025, Logos Prep's financial performance was generally consistent with the approved operating budget. Tuition and other revenues exceeded budget expectations, and expenses were modestly lower due to conservative estimates. There was a significant difference in non-operating income, non-budgeted items, contributions and interest income. For \$300,000 and \$700,000 respectively. Overall, Logos Prep maintained a positive operating margin and continues to demonstrate sound financial stewardship.

Revenue. Total revenue for the period was \$4.44 million, exceeding the budgeted amount of \$4.40 million by \$41,000 (.93%). Tuition and fees exceeded budget based on the net of:

- students adding classes or new students being added; and
- refunds from students dropping or new students leaving the school.

Management continues to closely monitor enrollment trends and tuition discounting to ensure long-term financial sustainability.

Expenses. Total expenses for the period were \$4.0 million, compared to a budget of \$4.1 million, resulting in a favorable variance of \$65,000 (1.6%).

- Personnel costs including salaries and benefits, were \$25,000 below budget, reflecting conservative estimates of preparation costs and net of withholding teacher pay for absences verses the cost of substitutes.
- Administrative and general expenses were \$40,000 below budget resulting from having to estimate items including insurance \$9,000 below budget and professional fees \$9,000 below budget.

Management is actively reviewing staffing levels and discretionary spending to ensure alignment with enrollment and program needs.

Operating Results. Logos Prep generated an operating surplus of \$400,000, compared to a budgeted surplus of \$300,000, resulting in a favorable variance of \$100,000. The surplus reflects disciplined financial management while continuing to invest in academic excellence and student experience.

Liquidity and Reserves. Logos Prep continues to maintain adequate cash reserves to support operations and capital needs. Management monitors liquidity ratios and reserve levels to ensure financial stability and compliance with best practices for independent schools.

Change in Net Assets. Logos Prep reported an increase in net assets of \$1.2 million, compared to a budgeted increase of \$100,000, resulting in a favorable variance of \$1.1 million. This results from \$100,000 from operations, \$700,000 in contributions and \$350,000 in interest income.

Restricted Funds. Restricted revenues were received in accordance with donor intent. Expenses charged to restricted funds were aligned with program activities, and no material variances or compliance issues were identified. Management continues to ensure timely and appropriate use of restricted resources.

Capital and Strategic Investments. Capital expenditures totaled \$500,000, compared to a budget of \$0. The variance is attributable to the timing of land acquisition and new building planning expenses, which are expected to be completed in the next two years.

Board Financial Policies

The Board has adopted financial policies (“Board Financial Policies”) which are reviewed by the Board and Head of School and updated based on its operations and future plans. The Board Financial Policies help guide the current leadership team and future Board members on the financial and operational principles that have helped keep Logos Prep successful since its founding. The Board Financial Policies help guide the organization in all its financial activities including budget development, investments and use of debt.

A summary of the main Board Financial Policies is below:

- **Budget Policy.** Requires the Head of School to provide multi-year enrollment, income and expenditure projections to the Finance Committee and Board. The financial projections are required to look at no enrollment growth and 10% enrollment decline scenarios as part of the budgeting process. Requires staff to prepare a monthly financial report to the Finance Committee and Board that shows the current budget, year-to-date results, projected year-end results and balance sheet/cash position. The Head of School cannot make overall changes to the budget of more than \$25,000 without Board approval. Disallows the Board from adopting a budget which would cause the organization to be in violation of any bond-related covenant.
- **Operating Reserve Policy.** Requires the financial staff to report its cash position and the Board to understand its cash position. Requires the Board to maintain a minimum of 75 days cash on hand.

- **Debt Management Policy.** Guides the organization on the use of debt as a financial management tool. Use of long-term debt will be for capital projects not operational costs and must be approved by the Finance Committee and Board. Logos Prep must demonstrate its ability to service any long-term debt from future operations. Use of short-term debt will be restricted to no more than 25% of Adjusted Revenues. Logos Prep must comply with all financial provisions for any bonded indebtedness including compliance with 15c2-12 continuing disclosure, post-issuance compliance and IRS tax requirements.
- **Investment Policy.** Guides the organization on its investment activities related to bond and non-bond proceeds. Logos Prep may hire an independent investment advisor or manager to assist in its investment activities. Provides general guidance that includes using diversification and requiring external investment advisors to provide monthly or quarterly reports to the Finance Committee and Board.

Finance Committee. The Board has appointed a Finance Committee that is charged with authority to provide accountability for the financial management and reporting of Logos Prep. The committee is not involved in the daily accounting functions, but instead oversees the financial function of Logos Prep, including the independent audit process. The Finance Committee also has responsibility to consider complaints about financial mismanagement, to promptly report these complaints to disinterested members of the Board, and to update disinterested members of the Board as to the status of its investigations, if any. The Finance Committee is composed of Board members, but may solicit the participation of non-Board member advisors.

The Finance Committee is responsible for the following:

Product #1: Oversight of the development of the Strategic Financial Plan and review of financial and reporting requirements.

Product #2: Monitor the activities of financial staff and outside financial consultants.

Product #3: Recommend the CPA firm to the Board that will be responsible for government reporting, reviews, and audits when required.

Product #4: Prepare specification of work-scope prior to outside audits to occur every 5 years beginning in 2030, including approval of any permitted non-audit services to be provided by the independent auditor in non-audit years.

Product #5: Review the audit results: opinions rendered, problems encountered, and recommendations made resulting from the performance of the audit.

Product #6: Prepare recommendations for Board consideration regarding revisions to the Strategic Financial Plan and/or the Board's fiscal policies.

The Finance Committee works with the Head of School to develop an audit/financial management plan that meets legal and accreditation requirements, verifying that the cost required for financial reporting compliance is included in the operating budget. The Finance Committee directs the work of outside auditors, using management time as needed for administrative support.

Historical Financial Performance

The following table presents the audited statements of activities and changes in net assets for Logos Prep for the Fiscal Years listed.

TABLE 23
STATEMENT OF ACTIVITIES
For the Fiscal Years Ended May 31,

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS					
<u>SUPPORT AND REVENUE</u>					
Tuition & Fees	\$3,517,270	\$3,843,554	\$4,468,456	\$4,639,305	\$4,799,497
Less: Discounts	(296,499)	(315,050)	(402,121)	(364,095)	(390,325)
Total Tuition & Fees	3,220,771	3,528,504	4,066,335	4,275,210	4,409,172
Contributions	153,869	101,048	108,080	98,600	102,209
Program Fees	331,489	383,243	460,475	437,463	652,874
Grant Revenue	-	-	-	962,025	-
Misc. Income	6,107	88,972	11,842	4,791	13,909
Interest Income	6,074	4,183	69,028	246,250	305,115
Total Support and Revenue	3,718,311	4,105,951	4,715,759	6,024,338	5,483,279
Net assets released from donor restrictions					
Restrictions satisfied by payments/time	62,055	96,543	135,348	271,064	134,761
Total Support and Reclassifications	3,780,366	4,202,494	4,851,107	6,295,402	5,618,040
<u>FUNCTIONAL EXPENSES</u>					
Education	2,633,970	2,706,600	3,066,827	3,251,803	3,393,574
Management and General	680,688	735,717	875,100	948,816	1,228,006
Fundraising and Development	3,947	38,793	80,922	181,457	122,489
Total Expenses	3,318,605	3,481,109	4,022,849	4,382,076	4,744,069
Increase (decrease) in net assets w/out donor restrictions	461,761	721,385	828,258	1,913,326	873,971
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS					
Restricted contributions	32,810	179,160	117,112	530,038	776,309
Net assets released from donor restriction	(62,055)	(96,543)	(135,348)	(271,064)	(134,761)
Increase (decrease) in net assets with donor restriction	(29,246)	82,617	(18,236)	258,974	641,548
Increase (decrease) in net assets	432,516	804,002	810,022	2,172,300	1,515,519
<u>Net Assets, Beginning Period</u>	2,513,088	2,945,603	3,749,606	4,559,628	6,731,928
<u>Net Assets, Ending Period</u>	\$2,945,603	\$3,749,606	\$4,559,628	\$6,731,928	8,247,447

Source: Audited Financial Statements of Logos Prep.

The following table presents the audited assets, liability and net assets of Logos Prep as of May 31 of each year listed.

TABLE 24
STATEMENT OF FINANCIAL POSITION
As of May 31,

	2021	2022	2023	2024	2025
<u>ASSETS</u>					
Cash and cash equivalents	\$2,780,651	\$3,594,089	\$4,493,223	\$6,607,088	\$6,784,399
Accounts receivable	12,840	17,840	22,297	33,124	964,904
Prepaid expenses	36,701	99,718	29,810	146,301	23,214
Security deposit	6,500	6,500	6,500	6,500	106,665
Operating lease right-of-use asset	1,617,112	1,279,490	922,976	565,621	211,369
Property and equipment – net	212,201	207,942	154,611	86,322	588,913
<u>TOTAL ASSETS</u>	<u>4,666,005</u>	<u>5,205,663</u>	<u>5,629,416</u>	<u>7,444,955</u>	<u>8,679,464</u>
<u>LIABILITIES</u>					
Accounts payable & accrued expenses	50,798	71,687	73,555	51,231	130,306
Credit cards payable	3,280	4,525	1,832	1,564	
Deferred revenue	49,212	100,356	71,426	94,612	90,342
Operating lease right-of-use liability	1,617,112	1,279,490	922,976	565,621	211,369
Note payable	-	-	-	-	
<u>TOTAL LIABILITIES</u>	<u>1,720,402</u>	<u>1,456,058</u>	<u>1,069,789</u>	<u>713,028</u>	<u>432,017</u>
<u>NET ASSETS</u>					
Without donor restrictions					
Undesignated	2,945,603	3,666,988	4,495,246	6,408,572	7,230,258
Board designated					52,286
Total net assets without donor restrictions	2,945,603	3,666,988	4,495,246	6,408,572	7,282,543
With donor restrictions	-	82,617	64,381	323,356	964,904
Total Net Assets	2,945,603	3,749,606	4,559,628	6,731,928	8,247,447
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$4,666,005</u>	<u>\$5,205,663</u>	<u>\$5,629,416</u>	<u>\$7,444,955</u>	<u>8,679,464</u>

Source: Audited Financial Statements of Logos Prep.

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Fundraising

Logos Prep is soliciting charitable contributions from parents and benefactors for the completion of the Project. Logos Prep has a goal to secure pledges with letters of intent of \$10,000,000 for the Project. Logos Prep opened the public phase of the capital campaign as of the end of January 2026 (prior to that time, Logos Prep had been in the quiet phase of its capital campaign).

TABLE 25
FUNDRAISING TARGETS

<i>Gift Range</i>	<i>Donors</i>
\$1,000,000	1
\$500,000	2
\$250,000	3
\$150,000	4
\$100,000	15
\$50,000	20
\$25,000	40
\$20,000	60
\$10,000	80
\$5,000	100
Under \$5,000	Total of \$500,000
Total	\$10,000,000

Source: Logos Prep.

As of December 11, 2025, Logos Prep has raised \$4,377,450 of campaign pledges across 159 individual donors. The average pledge is approximately \$27,500 per donor. As of December 11, 2025, Logos Prep has received \$1,610,301 in cash receipts of the total pledges. The table below outlines the current campaign pledges secured as of December 11, 2025.

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TABLE 26
CAMPAIGN PLEDGES RECEIVED⁽¹⁾

<i>Gift Range</i>	<i>Donors</i>	<i>Total Amount Pledged</i>	<i>Pledges Received</i>
\$500,000 - \$1,000,000	2	\$1,025,000	\$341,000
\$250,000 - \$500,000	2	500,000	50,000
\$150,000 - \$250,000	1	150,000	150,000
\$100,000 - \$150,000	11	1,157,511	449,781
\$75,000 - \$100,000	2	150,000	25,816
\$50,000 - \$75,000	13	671,128	249,968
\$25,000 - \$50,000	16	424,227	160,526
\$20,000 - \$25,000	4	83,000	48,002
\$10,000 - \$20,000	9	105,342	63,349
\$5,000 - \$10,000	12	66,623	36,343
\$1,000 - \$5,000	21	35,989	28,004
Under \$1,000	66	8,631	7,514
Total	159	\$4,377,450	\$1,610,301

⁽¹⁾ As of December 11, 2025.

Source: Logos Prep.

Logos Prep expects to receive the remainder of the pledged contributions over the following anticipated schedule.

TABLE 27
CAMPAIGN PLEDGE SCHEDULE⁽¹⁾

	<i>Received⁽¹⁾</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>
	\$1,610,301	\$304,420	\$1,092,278	\$586,858	\$474,545	\$309,047
Cumulative	\$1,610,301	\$1,914,721	\$3,007,000	\$3,593,858	\$4,068,403	\$4,377,450

⁽¹⁾ As of December 11, 2025.

Source: Logos Prep.

Logos Prep expects that the entire amount of donations to be received as part of the capital campaign will be in restricted funds, which may be used by Logos Prep for capital expenses (including debt service on the Bonds). See “THE BONDS – Redemption Provisions” in the forepart of this Limited Offering Memorandum.

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Annual Fundraising. Logos Prep conducts annual fundraising for its general fund and financial aid. The following table includes fundraising receipts for the last five years.

TABLE 28
ANNUAL FUNDRAISING
2020-21 through 2024-25

<i>School Year</i>	<i>Total Receipts</i>
2020-21	\$182,732
2021-22	241,416
2022-23	144,021
2023-24 ⁽¹⁾	447,181
2024-25 ⁽¹⁾	756,028

⁽¹⁾ Includes capital campaign funds.
Source: Logos Prep.

Outstanding Debt

Approximately \$7,418,000* of the proceeds of the Bonds will be used by Logos Prep to prepay the outstanding Bridge Loan and Faith Loan in full concurrently with the issuance of the Bonds. Following the issuance of the Bonds, Logos Prep will have no other outstanding indebtedness.

Logos Prep previously entered into an agreement with a third party consultant relating to the application by Logos Prep to the Internal Revenue Service (the “IRS”) for Employee Retention Credits made available pursuant to the Coronavirus Aid, Relief, and Economic Security Act (“ERC Credits”). Pursuant to such agreement, Logos Prep is required to pay such party a fee equal to a percentage of ERC Credits received by Logos Prep. Logos Prep’s obligations under the agreement are secured by a lien on ERC Credits received, and proceeds thereof.

To date, all amounts owed to the consultant have been paid in full. Logos Prep has yet to receive one remaining expected payment of ERC Credits from the IRS, in an expected amount of approximately \$284,000, which amounts are currently subject to audit by the IRS. In the event such ERC Credits are ultimately paid by the IRS, Logos Prep would owe approximately \$71,000 pursuant to the third party consultant agreement. Logos Prep expects to ultimately receive such ERC Credits, however it has not included such ERC Credits in its budget or financial projections.

Facility Leases

Brooks Campus. Logos Prep currently operates kindergarten through second grade of the School at the Brooks Campus pursuant to the Brooks Campus Lease. The Brooks Campus includes classrooms, administrative space and gymnasiums locating on the Sugar Creek Baptist Church Sugar Land Campus. Pursuant to the Brooks Campus Lease, Logos Prep will pay a monthly fee of \$7,413 for ten months of the 2025-26 school year and \$7,500 for ten months of the 2026-27 school year, plus an annual maintenance fee of \$6,000. The Brooks Campus Lease has a 24-month term expiring on May 31, 2027, provided that pursuant to the purchase and sale agreement pursuant to which Logos Prep acquired the Faith Parcel, Logos Prep may continue to operate at the Brooks Campus until the New Campus is ready to be occupied pursuant to the Brooks Campus Lease. Either party may terminate the Brooks Campus Lease with written notice to the other party of at least one full school year.

* Preliminary, subject to change.

Logos Prep has operated at the Brooks Campus continually since 2014. Logos Prep plans to allow the Brooks Campus Lease to expire upon completion of the Project and relocation of the School to the New Campus.

59 Campus. Logos Prep currently operates third through twelfth grades of the School at the 59 Campus pursuant to the 59 Campus Lease. The 59 Campus includes approximately 12,000 square feet of space consisting of classrooms and administrative space in an existing church facility. The 59 Campus Lease has a 36-month term expiring on May 31, 2027. Additionally, Logos Prep may, at its option, elect to extend the term of the 59 Campus Lease for one additional seven-month period and one additional five-month period by providing notice no later than August 31, 2026 (for the first extension option) and March 1, 2027 (for the second extension option). Pursuant to the 59 Campus Lease, Logos Prep will pay monthly rent in the amount of \$37,000 for ten months of each year under the term, plus a reimbursement to Sugar Creek Baptist of certain expenses through the lease term. If it elects to extend the term, Logos Prep will pay monthly rent in the amount of \$38,850 during the first extension option period and \$40,000 during the second extension option, each during the school year.

Either party may terminate the 59 Campus Lease with 180 days' written notice to the other party; provided that the 59 Campus Lease will not be terminated until 30 days after the expiration of the current school year.

Logos Prep has operated at the 59 Campus continually since 2009. Logos Prep plans to allow the 59 Campus Lease to expire upon completion of the Project and relocation of the School to the New Campus.

Litigation

As of the date of the Limited Offering Memorandum, no action, suit, proceeding or investigation at law or in equity, before or by any court, governmental agency or public board or body is pending or, to the knowledge of Logos Prep, threatened, affecting the validity of the Master Trust Indenture, the Loan Agreement, the Deed of Trust, or the Bonds or contesting the corporate existence of Logos Prep or its authority to operate.

Logos Prep is subject to lawsuits and claims in the ordinary course of its operations. In the opinion of the management of Logos Prep, the aggregate amount of the uninsured liabilities for such lawsuits and claims will not materially affect the Project, the finances of Logos Prep, or the operation of its school programs.

FINANCIAL PROJECTIONS

Notwithstanding Logos Prep's history of performance with respect to its existing School, future financial performance of Logos Prep may not equal or exceed the projections set forth in the Limited Offering Memorandum. No assurance is given that such projections will be met, or that the number of children enrolled in Logos Prep's programs may not diminish in the future. The projections of revenue and expenses for Logos Prep contained in this Appendix A are based upon the number of students projected to be enrolled in Logos Prep's programs and were prepared by Logos Prep and have not been independently verified by any party other than Logos Prep. See "ENROLLMENT – Historical and Future Projected Enrollment" herein for information regarding current and projected enrollment of Logos Prep.

No feasibility studies have been conducted with respect to operations of the School, the Non-Pledged Campus or the Non-Pledged Campus pertinent to the Bonds. The projections are "forward-looking statements" and are subject to the general qualifications and limitations described herein. The Underwriter has not independently verified Logos Prep's projections set forth in the Limited Offering Memorandum or otherwise, and makes no representations nor gives any assurances that such projections, or the assumptions underlying them, are complete or correct. Further, the projections relate only to a limited number of fiscal years, and consequently do not cover the entire period that the Bonds will be outstanding.

LOGOS PREP PREPARED THE PROJECTIONS BASED ON ASSUMPTIONS ABOUT FUTURE OPERATIONS OF THE CURRENT CAMPUS AND THE NON-PLEDGED CAMPUS, INCLUDING

ENROLLMENT, TUITION AND EXPENSES. THERE CAN BE NO ASSURANCE THAT ACTUAL ENROLLMENT REVENUES AND EXPENSES WILL BE CONSISTENT WITH THE ASSUMPTIONS UNDERLYING SUCH PROJECTIONS. MOREOVER, NO GUARANTEE CAN BE MADE THAT THE PROJECTIONS OF REVENUES AND EXPENSES INCLUDED HEREIN WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE BECAUSE THERE CAN BE NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE PROJECTIONS' UNDERLYING ASSUMPTIONS. 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 OR OTHERWISE), EMPLOYEE RELATIONS, CHANGES IN TAXES, CHANGES IN APPLICABLE GOVERNMENT REGULATIONS, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN EDUCATION COMPETITION AND CHANGES IN LOCAL OR GENERAL ECONOMIC CONDITIONS. REFER TO "CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THE LIMITED OFFERING MEMORANDUM" ON THE PAGE OPPOSITE THE INSIDE COVER OF THE LIMITED OFFERING MEMORANDUM, FOR QUALIFICATION AND LIMITATIONS APPLICABLE TO FORWARD-LOOKING STATEMENTS. SEE ALSO, "RISK FACTORS – OPERATING HISTORY; PROJECTIONS" IN THE FOREPART OF THE LIMITED OFFERING MEMORANDUM.

The table on the following pages set forth projected Net Operating School Revenue, Debt Service Coverage Ratio and Days Cash on Hand for Logos Prep, for Fiscal Years Ended May 31, 2026 through 2035. The following projections assume annual increases in enrollment.

Logos Prep expects to reach a projected stable enrollment of approximately 880 students by the 2033-34 school year. For the 2030-31 fiscal year (the first year of maximum annual debt service on the Bonds), breakeven enrollment to achieve a Debt Service Coverage Ratio of 1.10 to 1.00 is expected to be required to be at least 700, and a Debt Service Coverage Ratio of 1.00 to 1.00 would require a projected enrollment of at least 675, based on current projections of operating expenses and revenues.

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TABLE 29
FINANCIAL PROJECTIONS*
For Fiscal Years Ended May 31, 2026 through 2035

	1	2	3	4	5	6	7	8	9	10
	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Total Enrollment	624	625	656	689	724	760	798	838	879	880
Enrollment Growth (#)	25	1	31	33	34	36	38	40	41	1
Enrollment Growth (%)	4.2%	0.2%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	4.9%	0.1%
Average Tuition	7,788	8,178	8,832	9,539	10,302	11,126	12,016	12,617	13,121	13,515
Tuition Growth	452	389	654	707	763	824	890	601	505	394
Tuition Growth (%)	6.2%	5.0%	8.0%	8.0%	8.0%	8.0%	8.0%	5.0%	4.0%	3.0%
Facility Fee Per Student	--	--	800	800	800	800	--	--	--	--
Effective Tuition w/ facility fee	7,788	8,178	9,632	10,339	11,102	11,926	12,016	12,617	13,121	13,515
Effective Tuition Growth		5.0%	17.8%	7.3%	7.4%	7.4%	0.8%	5.0%	4.0%	3.0%
Revenue										
<i>Tuition Discount %</i>	<i>9.1%</i>	<i>9.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>7.0%</i>	<i>7.0%</i>
<i>Gross Tuition</i>	<i>4,860,000</i>	<i>5,111,178</i>	<i>5,796,076</i>	<i>6,572,750</i>	<i>7,453,498</i>	<i>8,452,267</i>	<i>9,584,871</i>	<i>10,567,320</i>	<i>11,533,770</i>	<i>11,893,298</i>
<i>Tuition Discount</i>	<i>(440,000)</i>	<i>(460,006)</i>	<i>(463,686)</i>	<i>(525,820)</i>	<i>(521,745)</i>	<i>(591,659)</i>	<i>(670,941)</i>	<i>(739,712)</i>	<i>(807,364)</i>	<i>(832,531)</i>
<i>Other Hard Income (fees)⁽¹⁾</i>	<i>--</i>	<i>--</i>	<i>552,750</i>	<i>563,805</i>	<i>575,081</i>	<i>586,583</i>	<i>598,314</i>	<i>610,281</i>	<i>622,486</i>	<i>634,936</i>
<i>Application & Enrollment fees</i>	<i>--</i>	<i>--</i>	<i>270,000</i>	<i>275,000</i>	<i>275,000</i>	<i>275,000</i>	<i>275,000</i>	<i>275,000</i>	<i>275,000</i>	<i>275,000</i>
Net Tuition	4,420,000	4,651,172	6,155,140	6,885,735	7,781,835	8,722,191	9,787,244	10,712,888	11,623,892	11,970,703
Other Hard Income (fees) ⁽¹⁾	801,300	801,500	--	--	--	--	--	--	--	--
Other Non-Fundraising Income	40,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Annual Non-Campaign Fundraising	--	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Facility Fee ⁽²⁾	--	--	525,000	551,250	578,813	607,753	--	--	--	--
Total Revenue	5,261,300	5,702,672	6,930,140	7,686,985	8,610,647	9,579,944	10,037,244	10,962,888	11,873,892	12,220,703
Expenses										
Operating Expense (non-facility)	4,244,300	4,413,531	4,774,564	5,134,604	5,390,263	5,685,276	6,185,846	6,490,531	6,762,006	6,918,619
Rent ⁽³⁾	462,000	462,000	--	--	--	--	--	--	--	--
Operating Expense (facility O&M)	--	--	462,000	475,860	490,136	504,840	519,985	535,585	551,652	568,202
Debt Service	198,008	--	--	--	--	--	--	--	--	--
2026 Bonds Net Debt Service ⁽⁴⁾	--	676,182	1,332,172	1,631,531	2,207,221	2,452,221	2,450,684	2,448,134	2,449,571	2,449,659
Total Operating Expenses	4,904,308	5,551,712	6,568,736	7,241,995	8,087,620	8,642,337	9,156,515	9,474,250	9,763,229	9,936,480
Operating Surplus/(Loss)	356,992	150,960	361,404	444,990	523,027	937,607	880,730	1,488,639	2,110,663	2,284,223

[Table and Footnotes Continued on Next Page]

* Preliminary, subject to change.

TABLE 29 (continued)
FINANCIAL PROJECTIONS*
For Fiscal Years Ended May 31, 2026 through 2035

	1	2	3	4	5	6	7	8	9	10
	Forecast 2025-26	Forecast 2026-27	Forecast 2027-28	Forecast 2028-29	Forecast 2029-30	Forecast 2030-31	Forecast 2031-32	Forecast 2032-33	Forecast 2033-34	Forecast 2034-35
Operating Surplus/(Loss)	356,992	150,960	361,404	444,990	523,027	937,607	880,730	1,488,639	2,110,663	2,284,223
(+) 2026 Bonds Net Debt Service ⁽⁴⁾	--	676,182	1,332,172	1,631,531	2,207,221	2,452,221	2,450,684	2,448,134	2,449,571	2,449,659
Net Operating Revenues	356,992	827,141	1,693,576	2,076,520	2,730,248	3,389,829	3,331,414	3,936,773	4,560,234	4,733,882
Debt Service Coverage Ratio ⁽⁵⁾	N/A	1.22x	1.27x	1.27x	1.24x	1.38x	1.36x	1.61x	1.86x	1.93x
Liquidity/Reserves										
Beginning Cash Balance	6,853,407	1,958,865	3,790,817	5,152,221	6,597,211	8,120,237	9,057,845	9,938,574	11,427,213	13,537,876
(+) Operating Surplus/(Loss)	356,992	150,960	361,404	444,990	523,027	937,607	880,730	1,488,639	2,110,663	2,284,223
(+) Capital Campaign (Pledges) ⁽⁶⁾	304,420	1,092,278	586,858	474,545	309,047	--	--	--	--	--
(+) Capital Campaign (Uncommitted Projection) ⁽⁷⁾	16,810	588,714	413,142	525,455	690,953	--	--	--	--	--
(-) Land Development Expenses ⁽⁸⁾	(572,764)	--	--	--	--	--	--	--	--	--
(-) Down Payments on Land Acquisition ⁽⁹⁾	(2,690,403)	--	--	--	--	--	--	--	--	--
(-) Cash Equity Contribution at Bond Closing ⁽¹⁰⁾	(2,309,597)	--	--	--	--	--	--	--	--	--
Ending Cash Balance	1,958,865	3,790,817	5,152,221	6,597,211	8,120,237	9,057,845	9,938,574	11,427,213	13,537,876	15,822,099
Average Daily Expenses	13,436	15,210	17,997	19,841	22,158	23,678	25,086	25,957	26,749	27,223
Days Cash on Hand ⁽¹¹⁾	146 days	249 days	286 days	333 days	366 days	383 days	396 days	440 days	506 days	581 days
Ratios										
Operating Margin (before D/S)	7%	15%	24%	27%	32%	35%	33%	36%	38%	39%
Net Income Margin (after D/S)	7%	3%	5%	6%	6%	10%	9%	14%	18%	19%
Revenue/Student	\$8,432	\$9,124	\$10,560	\$11,156	\$11,901	\$12,610	\$12,583	\$13,089	\$13,508	\$13,887
Expense/Student	\$7,859	\$8,883	\$10,010	\$10,510	\$11,178	\$11,376	\$11,479	\$11,312	\$11,107	\$11,291
Debt/Student	--	\$54,584	\$51,985	\$49,509	\$47,152	\$44,906	\$42,461	\$40,128	\$37,924	\$37,545
Debt Service/Student	--	\$1,082	\$2,030	\$2,368	\$3,051	\$3,228	\$3,072	\$2,923	\$2,787	\$2,784
Debt Service as % of Revenues	0%	12%	19%	21%	26%	26%	24%	22%	21%	20%

⁽¹⁾ Other Hard Income (fees) includes technology fees, athletic fees, computer fees, spirit fees, and application and enrollment fees. Beginning in 2027-28, Logos Prep intends to transition to a "one-tuition" model that integrates fees into the base tuition rates, which is why Other Hard Income (fees) and Application and Enrollment Fees are shown as a component of Net Tuition beginning in 2027-28.

⁽²⁾ Upon completion and relocation to the New Campus, Logos Prep intends to charge a temporary \$800/student facility fee for a period of four years.

⁽³⁾ Represents rent payments under the leases for the Brooks Campus and 59 Campus.

⁽⁴⁾ Represents debt service on the Bonds, net of capitalized interest and estimated interest earnings.

⁽⁵⁾ See "SECURITY FOR THE BONDS – Master Indenture – Debt Service Coverage Ratio Covenant" in the forepart of this Limited Offering Memorandum. Logos Prep covenants to calculate and maintain a Debt Service Coverage Ratio of not less than 1.10x commencing with the Fiscal Year ending May 31, 2026.

⁽⁶⁾ Represents pledges received by Logos Prep as of December 11, 2025. See Table 26 "Campaign Pledge Schedule," herein.

⁽⁷⁾ Represents projected additional capital campaign receipts in excess of pledges received as of December 11, 2025. The total forecasted capital campaign receipts including the pledges shown in the row above total \$5 million, or 50% of Logos Prep's \$10 million capital campaign goal.

⁽⁸⁾ Represents predevelopment and soft costs expenses incurred in the current fiscal year (2025-26) by Logos Prep and paid with existing reserves.

⁽⁹⁾ Represents cash down payments on the Faith Parcel and Bridge Parcel.

⁽¹⁰⁾ Represents cash equity contribution to the financing at the closing of the Bonds.

⁽¹¹⁾ See "SECURITY FOR THE BONDS – Master Indenture – Liquidity Covenant" in the forepart of this Limited Offering Memorandum. Logos Prep covenants to calculate and maintain not less than 75 Days Cash on Hand commencing with the Fiscal Year ending May 31, 2026.

Source: Logos Prep.

* Preliminary, subject to change.

EXHIBIT A

PRIMARY AND ELEMENTARY COURSE DESCRIPTIONS



Logos Preparatory Academy

Primary & Elementary Course Descriptions, 2026-27

KINDERGARTEN

Kindergarten

Course Code, 1st and 2nd semester: 0K01

Kindergarten students who are 5 years of age on or before September 1st will be assessed in small groups on a designated day. Testing will include skills such as the ability to write their name, letter recognition, counting to 10, following oral directions, phonemic awareness, story sequencing, fine motor skills and participating in group activities. Students turning 5 years of age by December 10th and desiring early admission into kindergarten will be tested individually to determine if early placement is deemed appropriate. Kindergarten is a self-contained classroom; one academic teacher will direct the activities during the academic portion of the day. The classroom teacher will utilize skill stations as well as teacher directed activities to immerse the students in learning activities with the purpose of developing retention and application of concepts. The students will also attend “out class” each day where they will be enriched in areas of music, American Sign Language, Spanish and PE. Students must enroll for the entire Kindergarten academic program. Students will be exposed to English, Reading, Handwriting, Spelling, Math, Science, Social Studies, Bible, P.E., and Fine Arts.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments). Parents should attend DEN meetings and other opportunities for parent training.

1ST GRADE

ACADEMICS

Language Arts/History Block

Course Code, 1st and 2nd semester: 0101LAH

In first grade, language arts and History will be combined to form a block schedule. By combining these two subject areas into one block, we maximize the time and the effectiveness of studies by integrating topics and assignments. The students will begin the block with language arts as they continue to develop their oral language and communication skills and move to becoming independent readers and writers. We will use a multi-sensory approach to teach phonics, spelling, handwriting, grammar, and reading in a logical sequence. First grade students continue to develop their concepts of how print connects with spoken language by regularly reading (both orally and silently) in texts of appropriate difficulty with fluency and understanding. They will demonstrate their comprehension by asking and answering questions, retelling stories, predicting outcomes, and making and explaining inferences. Students will learn the difference between words, sentences, and paragraphs and learn to organize their thoughts and ideas into complete stories or reports. They will learn to use subjects and verbs and write complete sentences using basic capitalization and punctuation as they lay the foundation for writing by reinforcing the proper mechanics and techniques. As the students transition seamlessly into the history class, they will begin the study of their world by studying the beginning of man and God's relationship with him. Special emphasis will be placed on Creation, the call of Abraham, and the actions of God's chosen people from the time they are first organized to when they enter the Promised Land. Attention will be directed toward major events, actions, societies, civilizations, cultures, and traditions that form the rich fabric of the Old Testament. Students will examine the culture and stories of these times through literature, hands-on activities and drama. Reading and writing assignments will integrate both subjects and utilize a variety of styles.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments). Parents should attend DEN meetings and other opportunities for parent training.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep schedule sequence during the preceding school year.

Math/Science Block

Course Code, 1st and 2nd semester: 0101MS

In first grade, math and science will be combined to form a block schedule. By combining these two subject areas into one block, we maximize the time and the effectiveness of studies by integrating topics and assignments. This course uses simulations and games to help students practice new concepts. Students will learn to: skip count by 1, 2, 5, 10, 25, and 100, compare and order 2 and 3 digit numbers, identify and complete patterns, tell time to the nearest quarter hour, divide a set of objects into equal groups, master facts to 18, identify place value to 1,000, add and subtract 2 digit numbers, identify fractional sets, identify basic 2D & 3D geometric figures, counting money, and graphing. Students will be introduced to algebraic functions through comparison symbols, missing numbers and repeating patterns. As beginning scientists, the students will be introduced to senses, heat, animals, and heavenly bodies, and be exposed to the scientific study of the world God has made, focusing on Him as the Creator and Sustainer of all things. This course touches on core subjects like animals, plants, matter, astronomy, air, weather, and the five senses. Students will touch on every aspect of the scientific realm, including: life, physical, and earth and space sciences. Students will also enjoy learning through in class experiments. Some assignments will integrate both subjects' and utilize a multi-sensory approach to learning these related areas of study.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments). Parents should attend DEN meetings and other opportunities for parent training.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep schedule sequence during the preceding school year.

ELECTIVES

Enrichment Period

Course Code, 1st and 2nd semester: 0101EP

The enrichment period will be designed as a rotation through fine arts, language and physical education. At Logos Prep, the goal of fine arts is to promote among our students a more godly approach to both the practice and enjoyment of the arts and to prepare them for more effective ministry to others. The fine arts rotation is intended as a hands-on, active class with exposure to a variety of fine arts. The early elementary years are optimal for foreign language learning. Grades 1 & 2 will learn basic Spanish through a fun and engaging curriculum. We also offer American Sign Language which engages both hemispheres of the brain simultaneously. Physical education is intended to teach students to use and care for their bodies in ways that honor God. The development of godly character qualities in Christian sportsmanship in competition will be emphasized along with the development of physical strength, endurance, skill and abilities.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be enrolled in at least one first grade academic block in order to take the Enrichment Period.

2ND GRADE

ACADEMICS

Language Arts/History Block

Course Code, 1st and 2nd semester: 0201LAH

In second grade, language arts and history will be combined to form a block schedule. By combining these two subject areas into one block, we maximize the time and the effectiveness of studies by integrating topics and assignments. This course will lay the foundations for developing proficiency in reading and writing by studying the mechanics or grammar, punctuation and capitalization conventions. Emphasis on traditional grammar as well as practice with vital reference skills and step-by-step use of the Writing Process for eight different types of writing assignments, such as friendly letter, make-believe story, descriptive paragraph, etc. Students will also be introduced to some of the fundamental concepts associated with the appreciation of literature and will spend time reading alone and with parents to develop this skill. As the students transition seamlessly into the history class, they will continue the study

of their world by studying the relationship of God to his people from their entrance into the Promised Land, through the birth of Christ. Attention will be directed toward major events, actions, societies, civilizations, cultures, languages, and traditions that form the rich fabric of both the Old and New Testaments. Students will examine the culture and stories of these times through literature, hands-on activities and drama. Reading and writing assignments will integrate both subjects and utilize a variety of styles.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments). Parents should attend DEN meetings and other opportunities for parent training.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Language arts sequence during the preceding school year.

Math/Science Block

Course Code, 1st and 2nd semester: 0201MS

In second grade, math and science will be combined to form a block schedule. By combining these two subject areas into one block, we maximize the time and the effectiveness of studies by integrating topics and assignments. This course uses simulations and games to help students understand and practice new concepts. Students will learn to: skip count by 2, 3, 4, 5, 10, 25, 100, round and identify to the nearest 1,000, identify properties of 0 and 1 in multiplication, estimate a sum, add and subtract 2 and 3 digit numbers with decimals, master multiplication facts 0 – 5, divide by 2, identify fractions and parts of a whole, identify congruent and similar shapes, draw lines of symmetry and intersecting lines, elapsed time, measurement of segments, read pictograph and bar graph, probability, and introduction to algebraic functions through points on a number line, missing number in sequence and locating and graphing points on a coordinate graph. The students will also count play and real money, solve “money” word problems and earn play money through behavior to spend at the class store which teaches saving as well. As young scientists, students will gain a deeper appreciation of God’s creation through scientific observation, experimentation, and analysis. The course is built around seven major topics; living things, the human body, earth, space, matter, energy, and motion. Kitchen Chemistry is a grade highlight and includes a fun and engaging way to study how acids and bases affect assorted items including cookies and brownies. Some assignments will integrate both subjects’ and utilize a multi-sensory approach to learning these related areas of study.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments). Parents should attend DEN meetings and other opportunities for parent training.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep schedule sequence during the preceding school year.

ELECTIVES

Enrichment Period

Course Code, 1st and 2nd semester: 0201EP

The enrichment period will be designed as a rotation through fine arts, language and physical education. At Logos Prep, the goal of fine arts is to promote among our students a more godly approach to both the practice and enjoyment of the arts and to prepare them for more effective ministry to others. The fine arts rotation is intended as a hands-on, active class with exposure to a variety of fine arts. The early elementary years are optimal for foreign language learning. Grades 1 & 2 will learn basic Spanish through a fun and engaging curriculum. We also offer American Sign Language which engages both hemispheres of the brain simultaneously. Physical education is intended to teach students to use and care for their bodies in ways that honor God. The development of godly character qualities in Christian sportsmanship in competition will be emphasized along with the development of physical strength, endurance, skill and abilities.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be enrolled in at least one second grade academic block in order to take the Enrichment Period.

3RD GRADE

ACADEMICS

English

Course Code, 1st and 2nd semester: 0301ENG

This course will emphasize traditional grammar as well as practice with vital reference skills and step-by-step use of the Writing Process for four different types of writing assignments, including: book report, game instructions, friendly letter, persuasive essay, research report and writing a story. Students will gain a foundation for developing proficiency in reading and writing by studying the mechanics of grammar, punctuation and capitalization conventions, as well as learning and honing spelling skills. Students will be given opportunities to develop their ability to write short, but clear and well-organized compositions and essays on a variety of topics. They will receive practice in word choice, sentence building and paragraph development. Students will also be introduced to some of the fundamental concepts associated with the appreciation of literature and will spend time reading alone and with parents to develop this skill. Students will be introduced to cursive handwriting, and will become proficient in this skill by the end of the school year.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course including reading, and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

History: U.S. History, from Exploration to the Civil War

Course Code, 1st and 2nd semester: 0301HIST

Third grade history students will study United States history from the exploration of Columbus to the Civil War. Attention will be directed toward the major events, actions, individuals, groups, cultures, and traditions that form the rich fabric of our country. Special emphasis will include but not necessarily be limited to: the earliest inhabitants of America, the 13 Original Colonies, the American Revolution, the Constitution, and facts about the states that were added to the union prior to the Civil War. Students will learn how to think critically and logically by reading supplemental books and discussing issues related to both the core course content and the supplemental reading texts. Students will study events in American history in relation to geography, history, economics, culture, government and the knowledge of God and Christian character. Students must be enrolled in the class to be able to participate in the field trips.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review

needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

Math: Envision2.0 3rd grade, Texas Edition

Course Code, 1st and 2nd semester: 0301MATH

A review of addition and subtraction math fact strategies will be provided so the student can practice and achieve automaticity of the facts through the 18's family soon after entering 3rd grade math. Practice to maintain a high level of accuracy will be provided and an emphasis will then be placed on the memorization of multiplication and division facts through the 12's family. Along with gaining speed and accuracy of basic math facts the students will learn to: understand multiplication and division, use multiplication to divide, fluently multiply and divide within 100, connect area to multiplication and addition, represent and interpret data, fluently add and subtract within 1,000, solve word problems with whole numbers, understand fractions as numbers, fraction equivalence and comparison, telling time on an analog clock, elapsed time, capacity, mass, attributes of two dimensional shapes, perimeter.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

Science

Course Code, 1st and 2nd semester: 0301SCI

In third grade science, students will learn more about God's creation. They will gain a deeper understanding and appreciation of God's world through age appropriate scientific inquiry and experiments. They will begin learning the steps to the Scientific Method and begin learning how to write a hypothesis. Students will participate in hands-on activities and projects and will begin engaging in higher-level thinking questions and discussions. Subjects taught will include vertebrates and invertebrates, plants, simple machines, the moon, water and oceans, and the digestive and skeletal systems. Students will be using the 4th grade Bob Jones Science book and Activity Manual. Students must be enrolled in the class to be able to participate in the field trips.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review

needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

Electives contingent on enrollment

ELECTIVES

Art: Elementary Art - 3rd-5th Grade Combined

Course Code, 1st and 2nd semester: 0301ART

In elementary art students will explore basic art mediums and techniques, such as drawing, painting, collage, ceramics, printmaking, sculpture and more. Art history, aesthetics, and criticism will all be integral parts of the class. Art appreciation from a Biblical perspective will also be integrated into this course as students learn to identify how art functions within our environment.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their student and to monitor how well they are doing. They need to have a sincere interest in their child's class activities and express that interest to their children. Furthermore, help at home might be needed occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Physical Education: 3rd – 5th Grades Combined

Course Code, 1st and 2nd semester: 0301PE

The purpose of the physical education program is to teach students to use and care for their bodies in a way that honors God. The development of godly character qualities and Christian sportsmanship in competition will be emphasized along with the development of physical strength, endurance, skills, and abilities. Each physical education course offered at Logos Prep will involve both individual and team activities that are grade appropriate and that cover a wide array of games and sports. Physical activity will be presented in a manner that will interest students and that will naturally attract them to participate and to develop a life-long appreciation for and enjoyment of physical recreation.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track

the progress of their son or daughter and to monitor how well they are doing. They also need to encourage them to complete monthly physical/nutritional challenges.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Science Beyond the Book: 3rd – 5th Grades Combined

Course Code, 1st and 2nd semester: 0301SBB

The goal of elementary science is to make science meaningful and memorable through hands-on activities and inquiry based labs. This course will allow students in grades 3rd – 5th to have more opportunities to build a greater love of science, and a strong foundation in the fundamentals of science. The course will serve to extend student's fundamental foundation of lab safety and the application of the scientific method through the study of chemistry, physics, life science, earth/space science, climate/weather, and natural disasters. All activities will be hands-on in nature and completed in class. Concurrent enrollment in Logos Prep grade level science is required for enrollment in this course.

Parent role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Students must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Elementary Spanish: 3rd – 5th Grades Combined

Course Code, 1st and 2nd semester: 0301SPAN

This course both reviews and builds on prior knowledge, preparing students to speak Spanish in our primarily Spanish-speaking state, emphasizing English-language cognates. Beginning verb conjugation is explored through interactive activities based on conversation, deepening fluency and contextual understanding – all with a biblical focus. Most notably, an ever-more immersive environment is emphasized, highlighting the value of Spanish across various other academic disciplines, and exploring Spanish-speaking cultures. The majority of work is done in class; the class grade is based mostly on participation. Course offered is contingent on enrollment. Different vocabulary is emphasized each year so that students may enroll in both third and fourth grade.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be overstated. The primary responsibility of the parents is to track the progress of their son or daughter and reinforce classroom learning through the multiple enrichment opportunities given. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be of the appropriate age or grade level classification for enrollment in this course.

4TH GRADE

ACADEMICS

English

Course Code, 1st and 2nd semester: 0401ENG

This course will emphasize traditional grammar, and students will become more proficient in reading and writing by studying the mechanics of grammar, punctuation and capitalization conventions, as well as honing spelling skills. Students will be given opportunities to develop their ability to write short, but clear and well-organized compositions and essays on a variety of topics. Students will plan, draft, revise, proofread, and publish different types of writing, including a story, compare-contrast essay, book review, tall tale, and research report. They will receive practice in word choice, sentence building, and paragraph development. They will receive practice in expanding and combining sentences and will also be given instruction in writing clear and unified paragraphs. Students will also be introduced to some of the fundamental concepts associated with the appreciation of literature and will spend time reading alone and with parents to develop this skill. Students will continue to hone their skill in cursive handwriting.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

History: U.S. History, from the Civil War to Present Day

Course Code, 1st and 2nd semester: 0401HIST

Fourth grade history is a continuation of the course offered in third grade. Students will study United States history from the Civil War to the present day. Attention will be directed toward the major events, actions, individuals, groups, cultures, and traditions that form the rich fabric of our country. Special emphasis will include but not necessarily be limited to: The Civil War and Reconstruction, Manifest Destiny, Industrial Revolution/ Invention, Spanish-American War, WWI, WWII and the Civil Rights

Movement. Students will learn how to think critically and logically by reading supplemental books and discussing issues related to both the core course content and the supplemental reading texts. Students will study events in American history in relation to geography, history, economics, culture, government and the knowledge of God and Christian character. Students must be enrolled in the class to be able to participate in the field trips.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

Math: Envision 4

Course Code, 1st and 2nd semester: 0401MATH

All students entering 4th grade math are expected to have mastered the addition math facts through sums of 24 and the related subtraction facts. A review of multiplication and division strategies will be provided so the student can practice and achieve automaticity of the facts through the 12's family. Practice to maintain a high level of speed and accuracy of all the facts will be provided throughout the course. In addition to mastering the facts, students in Envision grade 4 study such ideas as: place value, adding and subtracting multi-digit whole numbers, strategies and properties to multiply multi-digit factors, long division to divide by a one digit divisor, word problems involving whole numbers, fractional equivalence and ordering, understanding addition and subtraction of fractions, extending the multiplication concept to fractions, representing and interpreting data on line plots, understanding and comparing decimals, measurement, generating and analyzing patterns, lines, angles and shapes.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course with any reteaching, remediating, and monitoring of their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

Science

Course Code, 1st and 2nd semester: 0401SCI

In fourth grade, students will gain a deeper appreciation of God's creation through age-appropriate scientific inquiry. Students will acquire new information, gain proficiency in research, work

collaboratively with other students, think critically, use the scientific method, do measurements, solve problems, and evaluate results. Subjects will include weather, biomes and ecosystems, earth science and fossils, sound and light, matter, natural resources, natural disasters and the respiratory and circulatory systems. Students will develop their science process skills by participating in hands-on activities and projects and by engaging in higher-level thinking questions and discussion topics, as well as engineering-type activities. Students must be enrolled in the class to be able to participate in the field trip.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

Electives contingent on enrollment

ELECTIVES

Elementary Art: 3rd -5th Grades Combined

Course Code, 1st and 2nd semester: 0301ART

In elementary art students will explore basic art mediums and techniques, such as drawing, painting, collage, ceramics, printmaking, sculpture and more. Art history, aesthetics, and criticism will all be integral parts of the class. Art appreciation from a Biblical perspective will also be integrated into this course as students learn to identify how art functions within our environment.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their student and to monitor how well they are doing. They need to have a sincere interest in their child's class activities and express that interest to their children. Furthermore, help at home might be needed occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Physical Education: 3rd – 5th Grades Combined

Course Code, 1st and 2nd semester: 0301PE

The purpose of the physical education program is to teach students to use and care for their bodies in a way that honors God. The development of godly character qualities and Christian sportsmanship in competition will be emphasized along with the development of physical strength, endurance, skills, and abilities. Each physical education course offered at Logos Prep will involve both individual and team activities that are grade appropriate and that cover a wide array of games and sports. Physical activity will be presented in a manner that will interest students and that will naturally attract them to participate and to develop a life-long appreciation for and enjoyment of physical recreation.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. They also need to encourage them to complete monthly physical/nutritional challenges.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Science Beyond the Book: 3rd – 5th Grades Combined**Course Code, 1st and 2nd semester: 0301SBB**

The goal of elementary science is to make science meaningful and memorable through hands-on activities and inquiry based labs. This course will allow students in grades 3rd – 5th to have more opportunities to build a greater love of science, and a strong foundation in the fundamentals of science. The course will serve to extend student's fundamental foundation of lab safety and the application of the scientific method through the study of chemistry, physics, life science, earth/space science, climate/weather, and natural disasters. All activities will be hands-on in nature and completed in class. Concurrent enrollment in Logos Prep grade level science is required for enrollment in this course.

Parent role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Students must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Elementary Spanish: 3rd - 5th Grades Combined**Course Code, 1st and 2nd semester: 0301SPAN**

This course both reviews and builds on prior knowledge, preparing students to speak Spanish in our primarily Spanish-speaking state, emphasizing English-language cognates. Beginning verb conjugation is explored through interactive activities based on conversation, deepening fluency and contextual

understanding – all with a biblical focus. Most notably, an ever-more immersive environment is emphasized, highlighting the value of Spanish across various other academic disciplines, and exploring Spanish-speaking cultures. The majority of work is done in class; the class grade is based mostly on participation. Course offered is contingent on enrollment. Different vocabulary is emphasized each year so that students may enroll in both third and fourth grade.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be overstated. The primary responsibility of the parents is to track the progress of their son or daughter and reinforce classroom learning through the multiple enrichment opportunities given. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Students must be of the appropriate age or grade level classification for enrollment in this course.

5TH GRADE

ACADEMICS

English

Course Code, 1st and 2nd semester: 0501ENG

This course will continue to emphasize the development of effective reading, writing and appropriate literature. It will focus on grammar and its rules and apply those rules to writing well-organized compositions and essays on a variety of topics. Students will plan, draft, revise, proofread, and publish different types of writing: compare and contrast, character analysis, research report, and book report. They will receive practice including mastering spelling skills, word choice, sentence building, note taking, using resources for writing, sentence outlining and paragraph development. Students will also be introduced to some of the fundamental concepts associated with the appreciation of literature and will spend time reading alone and with parents to develop this skill.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

History: Ancient Civilizations, Creation through Jesus Christ

Course Code, 1st and 2nd semester: 0501HIST

In fifth grade history, students will see a perspective of history, which allows them to observe God's ongoing purpose and plan, while developing Christian character. They will explore a variety of resources in order to discover history from a truly biblical basis. Students will discover a wide range of Ancient History including; exploring Creation, the Flood, the Tower of Babel, and the rise of civilizations from Mesopotamia to Rome. They will see God's purpose fulfilled through his chosen people, Israel, leading up to the Birth of Christ. Through various learning styles, they will explore history through; vocabulary, scripture study, map work, art, research, science experiments, cooking, writing, drama, and much more. As students encounter fun and exciting exercises, they will discover the evidence God's hand at work from the very beginning of time. Students must be enrolled in the class to be able to participate in the field trips.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course, such as spelling, and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

Math: Envision Grade 5

Course Code, 1st and 2nd semester: 0501MATH

Upon entering 5th grade math, students are expected to have automaticity of basic math facts. The 5th grade curriculum has been revised to meet and or exceed the current TEKS standards. Focus of study includes the mastery of addition and subtraction of decimal numbers, place value of decimals using expanded notation through the thousandths, comparing, ordering and rounding decimal values, modeling multiplication and division of decimals. Students will be introduced to simplified algebraic expressions. Students will work to achieve fluency in multiplication of up to 3 digit by 2 digit factors and division of up to 4 digit dividends and two digit divisors. Fractions are a key part of 5th grade. Students will achieve fluency in addition and subtraction of fractions and mixed numbers with both common and uncommon denominators. An introduction of multiplication and division of fractions will occur through modeling. Other topics of focus will include geometry, expressions, equations, and graphing.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignment, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

Note: 6th grade students taking 7th grade math will have a final exam in the fall- Time to be determined. In the Spring their final exam will be scheduled during finals week.

Science

Course Code, 1st and 2nd semester: 0501SCI

Fifth grade science focuses on man's use of God's Creation and design as well as study of Volcanoes, Minerals and Rocks, Fossils and Dinosaurs, Ecosystems, Electricity and Magnetism, the Stars, the Moon, and the Solar System, Matter, Nervous System, and Immune System. Students will develop their science process skills by participating in hands-on-activities and projects, and by engaging in higher-level thinking questions and discussion topics. Students must be enrolled in the class to be able to participate in the field trips.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

Electives contingent on enrollment

ELECTIVES

Elementary Art: 3rd - 5th Grades Combined

Course Code, 1st and 2nd semester: 0301ART

In elementary art students will explore basic art mediums and techniques, such as drawing, painting, collage, ceramics, printmaking, sculpture and more. Art history, aesthetics, and criticism will all be integral parts of the class. Art appreciation from a Biblical perspective will also be integrated into this course as students learn to identify how art functions within our environment.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their student and to monitor how well they are doing. They need to have a sincere interest in their child's class activities and express that interest to their children. Furthermore, help at home might be needed

occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Elementary Keyboarding and Computer Applications

Course Code, 1st and 2nd semester: 0501COMP

First semester will focus on keyboarding. By use of an online, interactive tool and teacher direction, students will learn the proper form for keyboarding. Learning correct typing technique will help with speed and accuracy as students grow older and become more dependent on electronic forms of communication and reporting.

Second semester introduces students to the basic and intermediate functions of cloud based Google Docs, Sheets, and Slides. Students will learn how to type a document, customizing the font, spacing, and borders, type a friendly letter, insert clip art and pictures, set tabs and create a table in Google Docs. In Google Sheets, they will learn how to create a simple spreadsheet and create formulas. Creating slides with timed settings, outlines and importing images will be taught in Google Slides. After learning these skills, students will partner with a classmate and create a mock business integrating all applications previously taught. All work will be done in class and with presentations at the end of the semester.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be of 5th grade classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Physical Education: 3rd - 5th Grades Combined

Course Code 1st and 2nd semester: 0301PE

The purpose of the physical education program is to teach students to use and care for their bodies in a way that honors God. The development of godly character qualities and Christian sportsmanship in competition will be emphasized along with the development of physical strength, endurance, skills, and abilities. Each physical education course offered at Logos Prep will involve both individual and team activities that are grade appropriate and that cover a wide array of games and sports. At the 5th and 6th grade levels, emphasis will be placed on the rules and fundamentals of sports, especially sports offered in Secondary at Logos Prep.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track

the progress of their son or daughter and to monitor how well they are doing. They also need to encourage them to complete monthly physical/nutritional challenges.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Science Beyond the Book: 3rd - 5th Grades Combined

Course Code, 1st and 2nd semester: 0301SBB

The goal of elementary science is to make science meaningful and memorable through hands-on activities and inquiry based labs. This course will allow students in grades 3rd – 5th to have more opportunities to build a greater love of science, and a strong foundation in the fundamentals of science. The course will serve to extend student’s fundamental foundation of lab safety and the application of the scientific method through the study of chemistry, physics, life science, earth/space science, climate/weather, and natural disasters. All activities will be hands-on in nature and completed in class. Concurrent enrollment in Logos Prep grade level science is required for enrollment in this course.

Parent role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be of the appropriate grade level classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

Elementary Spanish: 3rd - 5th Grades Combined

Course Code, 1st and 2nd semester: 0301SPAN

Designed to follow first-year elementary Spanish, yet incorporating newcomers, this course both reviews and builds on prior knowledge of Spanish. Beginning verb conjugation is explored through interactive activities based on conversation, deepening fluency and contextual understanding – all with a biblical focus. Most notably, an ever-more immersive environment is emphasized, highlighting the value of Spanish across various other academic disciplines, and exploring Spanish-speaking cultures. The majority of work is done in class; the class grade is based mostly on participation. Course offered is contingent on enrollment. Different vocabulary is emphasized each year so that students may enroll in both third and fourth grade.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be overstated. The primary responsibility of the parents is to track the progress of their son or daughter and reinforce classroom learning through the multiple enrichment opportunities given. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be of the appropriate age or grade level classification for enrollment in this course.

6TH GRADE

ACADEMICS

English

Course Code, 1st and 2nd semester: 0601ENG

The sixth-grade course in English will continue to emphasize the development of skills in the use of the English language for the purpose of effective communication in the various subject areas. Students will be encouraged to apply their knowledge of grammar, vocabulary and punctuation as they refine their composition skills. Students plan, draft, revise, proofread, and publish different types of writing: persuasive essay, personal narrative, historical fiction, poetry, and research report. Students will also be introduced to some of the fundamental concepts associated with the appreciation of literature and will spend time reading alone and with parents to develop this skill.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in vocabulary and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

History: The Rise of the Roman Empire to the Present

Course Code, 1st and 2nd semester: 0601HIST

In sixth grade history, students will see a perspective of history, which allows them to observe God's ongoing purpose and plan. They will participate in an exploration of a variety of resources in order to discover history from a truly biblical basis. Through a variety of learning styles, including visual, kinesthetic, and auditory methods, students will discover the Roman Empire AD 30 to the French Revolution and that the Modern Mission Movement began at the same time the Napoleonic Wars occurred. This will only be the beginning of their journey as they experience history through fun and exciting exercises, as well as activities that allow them to explore the curriculum, and find that throughout every major event in modern history, God's hand was at work. Historic events and the church will be continually woven together through the explosion of the church of Jesus Christ throughout the

world; the exploration of uncharted regions, the start of wars of religion; they will watch as technology, medicine, philosophy, and art sweep nations into bitter turmoil and proud independence. They will watch God move in the Industrial Revolution, the British Empire, the growth of the United States, the World Wars all the way to the end of the Korean War in 1953, and Jim Elliot's journey to the Waodani people of Ecuador in 1956. They will discover politics, art, music, science, culture, and Christian character, but also see the fingerprints of God on every aspect of History through some of the most turbulent times in our world.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

Math: McGraw Hill Course 1

Course Code, 1st and 2nd semester: 0601MATH

This course covers concepts that meet or exceed the Texas math standards as outlined for sixth grade. Topics covered include rational numbers on the coordinate plane, multiply and divide rational numbers, operations with integers, understanding ratio and proportions, apply proportions to percent, multiple representations, algebraic expressions, equations and inequalities, geometry with algebra, statistical measures and displays.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

Science: General Science

Course Code, 1st and 2nd semester: 0601SCI

Students will explore scientific concepts through investigation and lab-oriented study of the scientific method including making observations, collecting and presenting data, analysis, and predicting trends. They will explore the nature of plants and the relationship of living organisms in ecosystems on both a macro and micro scale and develop an understanding of how all of God's creation works together to maintain a natural balance. Students will learn about forces and how they affect the position and motion

of objects. They will explore the chemical and physical changes, waves, electricity, magnetism, and the use of physical concepts in technological designs. Lab materials will be provided for in class use, for a variety of experiments designed to enhance learning. This course provides an excellent foundation for both life and physical science.

Parent Role: Co-instructor: Parents will receive instructions from the classroom teacher on a regular basis outlining homework assignments, follow-up study over covered material, and preparation or review needed for their next class. They will also bear the primary responsibility for direct instruction in some aspects of the course and for monitoring their child's academic progress (including the timely submission of all assignments).

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

EXHIBIT B
SECONDARY COURSE DESCRIPTIONS

Logos Preparatory Academy

Secondary Course Descriptions, 2026-2027

Lunch/Student Life Activities Period - LC10:10/House

LC10:10 - LC10:10 is a 20-minute period taken at the beginning of lunch on Monday, Wednesday and Friday for our junior high students. These times are set aside for spiritual development and growth and are led by one of our faculty members. The groups are split up by grade and gender. This is a mandatory time for all junior high students as they are automatically enrolled in this class and it is on their schedule.

House System - The house system is created to break students out of their normal peer groups and put them in a "house" that is comprised of various high school students. This gives our high schoolers opportunities to interact with other students that they might not interact with on a normal daily basis. There are house meetings every fourth Monday for the first 20 minutes of lunch and roll is taken in these meetings as this is a mandatory class and is on their schedule.

ENGLISH

7th English

Course Code, Year Long: 0701ENG

Students will write five-paragraph compositions, including a thesis statement, an outline, and introductory and concluding paragraphs. An emphasis will be placed on the Writing Process – planning, writing, editing, revising, and publishing compositions. They will select and use different forms of writing for specific purposes such as to inform, persuade, or entertain and incorporate stylistic techniques within each form. Critical thinking will be developed as literature and poetry are analyzed and discussed. The program focuses on the evaluation of literature and writing, using Biblical principles as the standard by which they are evaluated. Students will be given the opportunity to communicate their views both orally and in writing. Vocabulary development and word study skills will be emphasized. Grammar skills will be reinforced and new concepts introduced and will be utilized within the context of the writing program. Students will complete one significant research project during the course.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

8th English

Course Code, Year Long: 0801ENG

Students will continue to refine their ability to write a standard five-paragraph essay using evidence to support statements and thesis statements. The students will select and use different forms of writing for specific purposes such as to inform, to persuade, or to entertain. They will edit and revise drafts using basic knowledge of grammar and usage, spelling, and conventions. Students will produce final, error-free compositions that include the use of varied sentence length and structure. They will continue to read a wide range of literature, intermixing contemporary works with classical novels. Students will be introduced to concepts and terms used in literary analysis. They will evaluate literature using Biblical standards and principles and apply associated concepts in their analysis. Grammar skills will continue to be honed, with both review and introduction of new concepts. Students will complete one significant research project during the course.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

9th English

Course Code, Year Long: 0901ENG

Ninth grade students will continue to increase and refine communication skills. This course provides instruction on expanding the five-paragraph essay. Students are expected to plan, draft, and complete varied forms of writing. Emphasis is placed on organizing logical assertions and sub-topic paragraphs with clearly expressed theses and factual evidence for support. This course will lay the foundation for the students' understanding of how to interpret literature and prepare them for more detailed literary analysis. They will become more familiar with different genres and sub-genres. Critical thinking skills used in analyzing themes, characters, conflict, structure, point of view, and tone will be developed and refined. Students will learn to use their texts to support their assertions. The students will interpret the influences of the historical context of a literary work. Vocabulary development will continue through the use of Wordly Wise, denotation, and connotation. Students will complete one significant research project during the course.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension

tests or successful completion of the preceding course in the Logos Prep English sequence during the preceding school year.

10th English: American Literature

Course Code, Year Long: 1001ENG

Through novels, short stories, and poetry, all written by American authors, students will develop a deeper understanding of our American heritage by analyzing theme, style, point of view, plot, setting, character, mood, irony, and imagery as applicable in each work of literature. This course covers literature from America's colonial period through the modern era and will allow students to analyze and write about the changing themes, genres, and cultural factors that have influenced America in the past and continue to influence America today. Writing skills will continue to be reinforced through several essays and other written assignments. Grammar skills will be reinforced to produce college level writing and the course also includes vocabulary development. Students will complete one significant research project during the course.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep English sequence during the preceding school year, acceptance of transfer credit of the previous course in the English sequence, or approval by administration.

10th English: AP American Literature (AP Literature and Composition)

Course Code, Year Long: 1001APENG

The AP English Literature and Composition course focuses on reading, analyzing, and writing about imaginative literature (prose, poetry, drama) from various periods. Students will engage in close reading and critical analysis of imaginative literature to deepen their understanding of the ways writers use language to provide both meaning and pleasure. As they read, students will consider a work's structure, style, and themes, as well as its use of figurative language, imagery, and symbolism. Students will analyze and interpret textual detail, establish connections among their observations, and draw logical inferences leading toward an interpretive conclusion. Writing assignments include analytical and argumentative essays that require students to analyze and interpret literary works. **Students enrolled in this course will be required to take College Board's standardized AP Literature and Composition exam at the end of the course.**

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep English sequence during the preceding school year with a grade of 80% or higher, acceptance of transfer credit of the previous course in the English sequence. Students wishing to take AP English will have to be approved by the administration.

11th English: World Literature

Course Code, Year Long: 1101ENG

The World Literature course will focus on plays, novels, short stories, and poems dating from Sumerian prehistory to the present. Reading will include literature from Mesopotamia, Norway, China, Ancient Greece, Ancient Israel, Nigeria, and England. In tracing the processes of composition, discovery, and translation by which Western audiences have come to know these texts, students will develop an awareness of various cultures while engaging each author in the spirit of Christian inquiry. Students will acquire a unique view of each culture's values, beliefs, and worldviews, and will proceed to develop their engagement with these handouts and readers via visual and written assignments. In an effort to improve writing skills, grammar and editing skills will be reinforced and refined. Vocabulary development will also be stressed over the course of the year. Students will complete two significant research projects during the course.

Parent Role: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep English sequence during the preceding school year, acceptance of transfer credit of the previous course in the English sequence, or approval by administration.

12th English: British Literature

Course Code, Year Long: 1201ENG

Students read, discuss, and interpret a careful selection of British novels, short stories, essays, plays, and poetry. Class work emphasizes close reading of each work to discover the worldview, theme, style, point of view, character development, mood, and imagery, then analyze each in light of Biblical principles. These readings serve as models of good literature and as subjects for the students' analytical writing. Students will receive instruction on composing essays that demonstrate mastery of various aspects of literary analysis and effective writing style. They will be required to complete assignments that stress a mastery of English vocabulary and grammar. Students will complete one significant research project during the course.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where

independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep English sequence during the preceding school year, acceptance of transfer credit of the previous course in the English sequence, or approval by administration.

Dual Credit 12th English Literature

Course Code, Year Long: 2001ENG

The Academy at Houston Christian University is pleased to extend the challenge and rewards of university style classes to Logos Prep students, providing them with the opportunity to earn transferable college credit along the way. Classes are designed to immerse the student in an essential era or theme. This Great Books approach is coupled with the Socratic method to encourage students to think deeply about the ideas of the past. Studying literature with The Academy means reading, discussing and writing well. Students study a selection of some of the most significant texts of the 18th, 19th, and 20th century. This class will satisfy the Logos Prep diploma requirements for British Literature credit. Students will earn three units of college credit through HCU. The course represents college level English/history for which colleges other than HCU may accept the transferred credit. It is the responsibility of the student to inquire as to whether the college(s) of interest will grant the credit transfer. Students should anticipate an increased workload when taking this course.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep. The textbook needs to be provided by parents (see booklist).

Course Prerequisites: The Academic Department must pre-approve students for placement in this course. Full-time Logos Prep students with a GPA of 3.5 or higher will be considered after successful completion of World Literature with Logos Prep.

HISTORY

7th History: Texas History, Geography, and Government

Course Code, Year Long: 0701HIST

Students will gain a comprehensive understanding of the development of Texas from exploration to the present, concentrating on the themes of environment, diversity of its people, significant historical events, and the dynamics of change. Students will learn how physical features and natural resources of Texas have affected patterns of settlement and economic development. Additionally, the course will provide

students with a basic understanding of the origin, basic structure, and operation of the government and political process in Texas. Through reading, writing, and discussion, students will develop skills in analyzing social studies relationships, interpreting data, forming generalizations and conclusions, and applying problem solving and critical thinking skills.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

8th History: Eastern Hemisphere

Course Code, Year Long: 0801HIST

Eighth grade history students will study the Eastern Hemisphere. The course provides a detailed study of peoples and cultures few Americans ever think about. Students will journey from the South Pacific, through Australia, up to Japan, through Southeast Asia, India, China, the Middle East and Africa. The journey will include the exploration of the history and cultures of the people groups from these countries. Books about missionaries who have served the Eastern Hemisphere will use real, inspiring stories to both teach students about service and better help them understand the cultures being studied.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

9th History: World Geography & Modern Civilization

Course Code, Year Long: 0901HIST

Geography is a survey of the earth and its resources, the use of those resources by man, and of the geographic and cultural features that influence how people interact with each other in various regions and countries of the world. This course is a comprehensive study that examines the cultures, land forms, climates, resources, economy, religions, and government of every region of the world. As stewards of the resources God has provided, students will be challenged to appreciate and to better manage the wonders of God's creation and to own the responsibility He gave man to exercise dominion over it. Additionally, special emphasis will be placed on those historical, political, social, and cultural events, movements, and trends that have helped shape the modern world. Involvement in group and individual research

activities as well as problem-solving activities is expected of students in this course.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep History sequence during the preceding school year.

10th History: U.S. History

Course Code, Year Long: 1001HIST

With an emphasis on the underlying causes and issues behind historical events, this course provides a survey of U.S. History from discovery to the present. Students will study the major events, people, and ideas in the development of our nation's history through the lens of a Biblical worldview. An emphasis is placed on our Christian heritage and the Biblical roots of our representative government. Students are encouraged to engage in critical thinking as they explore the political, economic, social and religious aspects of previous generations to prepare them to analyze and understand the issues of their own and future American generations.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep History sequence during the preceding school year, acceptance of transfer credit of the previous course in the History sequence, or approval by administration.

11th World History: The History of Christianity and the West

Course Code, Year Long: 1101HIST

This course seeks to offer students a complete survey of world history, with a focus on Christianity from its Judaic roots to its present world-wide expressions. It will also explore the impact that Christianity has had on world history as a whole, as well as the impact that an often hostile world has had on Christianity. It will conclude with a look at the difficulties and opportunities facing the Church of the 21st century, as well as a challenge to the students, to be an active part of the Church and to positively impact the Kingdom of God no matter their life's calling.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should

read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep History sequence during the preceding school year, acceptance of transfer credit of the previous course in the History sequence, or approval by administration.

11th Grade Dual Credit World History

Course Code, Year Long: 2101HIST

The Academy at Houston Christian University is pleased to extend the challenge and rewards of university style classes to Logos Prep students, providing them with the opportunity to earn transferable college credit along the way. Classes are designed to immerse the student in an essential era or theme. This Great Books approach is coupled with the Socratic method to encourage students to think deeply about the ideas of the past. Academy classes are founded on original source texts from the time period we’re studying, and world history is no exception. Students will read the texts that shaped the world as we know it, and reason alongside the world’s greatest minds. This class will satisfy the Logos Prep diploma requirements for World History credit. Students will earn three units of college credit through HCU. The course represents college-level English/history for which colleges other than HCU may accept the transferred credit. It is the responsibility of the student to inquire as to whether the college(s) of interest will grant the credit transfer. Students should anticipate an increased workload when taking this course.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep. The textbook needs to be provided by parents (see booklist).

Course Prerequisites: The Academic Department must pre-approve students for placement in this course. Full-time Logos Prep students with a GPA of 3.5 or higher will be considered after successful completion of American History with Logos Prep.

12th History: Government and Economics

Course Code, Year Long: 1201HIST

This course is a composite of two separate courses, government and economics. The political element of this course is designed to provide an in-depth understanding of the origin, development, and structure of the U.S federal government. Special emphasis is placed on the scriptural, historical, and ideological origins that frame our nation’s government and the unique relationship between liberty and justice as found in the Constitution. Ultimately, as a result of the concepts and challenges presented to them, students will be challenged to consider their role and place as a citizen of the Kingdom of God and to think more critically. From an economic standpoint, students will compare and contrast major economic

systems and the impact each has on the world economy. This part of the course is designed to address both micro economic and macroeconomic issues by primarily focusing on the major elements, principles, and policies found in a free enterprise economy. The course will also focus on personal finance as students are challenged to accept their role in the economic workings of their world and to assess their habits, choices, and contributions to it in light of God's word.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep History sequence during the preceding school year, acceptance of transfer credit of the previous course in the History sequence, or approval by administration.

MATH

7th Math: Course 2

Course Code, Year Long: 0701MATH

This course includes the study of fractions, decimals, percents, word problems, geometry, perimeter, circumference, surface area, area, pi, volume, ratio, proportion, etc. Students will work word problems and learn to collect, display, and analyze data. *** Note: 6th grade students taking the course will have a final exam in the fall- Time to be determined. In the Spring their final exam will be scheduled during finals week.**

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

8th Math: Course 3

Course Code, Year Long: 0801MATH

Students in grade 8 mathematics will continue to extend and build upon their foundation of basic understandings of number, operation, and quantitative reasoning; patterns, relationships, and algebraic thinking; geometry and spatial reasoning; measurement and problem-solving. The areas of emphasis are

solving equations with rational values, writing equations representing real world situations and using algebraic principles to analyze proportional relationships. Problem solving, communication, connections of concepts both within and outside mathematics, and informal and formal reasoning will be emphasized. This course is designed to successfully prepare students for Algebra I.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year.

9th Math: Algebra 1

Course Code, Year Long: 0901MATH

This course builds upon foundational pre-algebra concepts such as the distributive property, order of operations, domains and range and one-step equations. Students then continue to work on interpreting graphs of functions, graphing and solving multi-step linear equations and inequalities, systems of equations and inequalities, exponents and exponential functions, polynomials, factoring, graphing and solving quadratic functions and simplifying radical and rational expressions. Problem solving with real-world applications is emphasized in all units.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year, successful completion of Algebra Readiness Exam, or approval by administration. *Summer readiness seminars offered at Logos Prep are strongly encouraged for students entering algebra I and algebra II. Students scoring a 70 or below in the preceding Logos Prep math course may be required to participate in these seminars before advancing. Students new to Logos Prep may choose to take a placement test indicating proper mastery for Logos Prep Algebra I or Algebra II, or they will be required to participate in summer readiness seminars. All fees will apply.*

10th Math: Geometry

Course Code, Year Long: 1001MATH

This course includes a basic introduction to geometry including definitions and postulates; an introduction to proofs; the geometry of parallel lines and planes, congruent triangles and using congruent triangles with other figures, right triangles, and circles; area and perimeter of polygons, surface area and

volume; transformations, constructions, symmetry and similarity, introduction to probability, and an introduction to trigonometry.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

11th Math: Algebra 2

Course Code, Year Long: 1101MATH

Course coverage includes real numbers and problem solving; equations in inequalities; relations, functions and graphs; systems of equations; polynomials and polynomial equations; rational expressions and equations; introduction to matrices, operations with matrices, determinants and inverses; powers, roots, and complex numbers; quadratic equations; quadratic functions and transformations; equations of second degree; polynomial functions; exponential and logarithmic functions; parent functions and transformations.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year or, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration. *Summer readiness seminars offered at Logos Prep are strongly encouraged for students entering algebra I and algebra II. Students scoring a 70 or below in the preceding Logos Prep math course may be required to participate in these seminars before advancing. Students new to Logos Prep may choose to take a placement test indicating proper mastery for Logos Prep Algebra I or Algebra II, or they will be required to participate in summer readiness seminars. All fees will apply.*

12th Math: Pre-Calculus/Trigonometry

Course Code, Year Long: 1201MATH

In Pre-Calculus/Trigonometry, students will receive an in-depth treatment of functions and their graphs; polynomial and rational functions; exponential and logarithmic functions; analytical trigonometry and other trigonometric topics; systems equations and inequalities; sequences and probability; and topics in analytical geometry. This course incorporates technology, problem-solving strategies, real-life

applications, and concept reinforcement to help students develop strong Pre-Calculus skills.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read the syllabus, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

12th Math: AP PreCalculus

Course Code, Year Long: 1201APPRECAL

In Pre-Calculus/Trigonometry, students will receive an in-depth treatment of functions and their graphs; polynomial and rational functions; exponential and logarithmic functions; analytical trigonometry and other trigonometric topics; systems equations and inequalities; sequences and probability; and topics in analytical geometry. This course incorporates technology, problem-solving strategies, real-life applications, and concept reinforcement to help students develop strong Pre-Calculus skills. **Students enrolled in this course will be required to take College Board’s standardized AP PreCalculus exam at the end of the course.** Students will see mathematics presented in a variety of forms: graphically, numerically, analytically, and verbally. Students will work to develop the ability to approach a concept in a variety of ways and will explore the rigorous theoretical development of some of the concepts.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read the syllabus, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Math sequence during the preceding school year with an 80% or higher, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration. This class is designed for students on track to take AP Calculus with Logos Prep and is the preferred prerequisite for AP Calculus rather than precalculus/trigonometry 1201MATH. Students who will not be taking AP Calculus at Logos Prep will not be admitted without special permission and will not be considered until all others have registered.

12th Math: AP Computer Science

Course Code, Year Long: 1201COMPSCI

This is an Advanced Placement class that will include college level instruction and rigor. This is an introductory course in computer science that teaches on the principles and methods of object-oriented programming, with a focus on the design and implementation of computer programs. This course is based on an online course that students will be enrolled in. **Students enrolled in this course will be required to take College Board's standardized AP Computer Science exam at the end of the course.** There is a cost involved with taking the test. The course represents college-level computer science for which colleges may grant advanced placement and/or credit. It is the responsibility of the student to inquire as to whether the college(s) of interest will grant such credit/placement and the college's required AP Exam score. This class includes college level instruction and rigor with the possibility of college credit, students will be expected to treat this as a college course and study appropriately.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Successful completion of or concurrent enrollment in Algebra II at Logos Prep during the preceding school year with a grade of 80% or higher and teacher referral, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

12th Math: AP Statistics

Course Code, Year Long: 1201APSTATS

The AP Statistics course introduces students to the major concepts and tools for collecting, analyzing, and drawing conclusions from data. There are four themes evident in the content, skills, and assessment in the AP Statistics course: exploring data, sampling and experimentation, probability and simulation, and statistical inference. Students use technology, investigations, problem solving, and writing as they build conceptual understanding. **Students enrolled in this course will be required to take College Board's standardized AP Statistics exam at the end of the courses.** The course represents college-level mathematics for which colleges may grant advanced placement and/or credit. It is the responsibility of the student to inquire as to whether the college(s) of interest will grant such credit/placement and the college's required AP Exam score. This class includes college level instruction and rigor with the possibility of college credit, students will be expected to treat this as a college course and study appropriately.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read the syllabus, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Successful completion of 1201MATH/1202MATH (Pre-Calculus/Trigonometry) or 1201APPRECAL/1202APPRECAL (AP PreCalculus), at Logos Prep during the preceding school year with

a grade of 80% or higher and teacher referral, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

12th Math: AP Calculus BC

Course Code, Year Long: 1201APCAL-BC

This is an Advanced Placement class that will include college level instruction and rigor for advanced math students. Calculus BC is primarily concerned with developing the students' understanding of the concepts of calculus and providing experience with its methods and applications. The course emphasizes a multi-representational approach to Calculus, with concepts, results and problems being expressed graphically, numerically, analytically and verbally. Most of the course will be devoted to the topics in Differential and Integral Calculus and will be the equivalent of the college courses Calculus I and II at most universities. It will cover the same topics as Calculus AB with additional depth of topics as well as the addition of in depth study of series and topics such as vectors valued functions, parametrics and polar in calculus not covered in AB courses. **Students enrolled in this course will be required to take College Board's standardized AP Calculus BC exam at the end of the courses.** The course represents college-level mathematics for which colleges may grant advanced placement and/or credit. It is the responsibility of the student to inquire as to whether the college(s) of interest will grant such credit/placement and the college's required AP Exam score. This class includes college level instruction and rigor with the possibility of college credit, students will be expected to treat this as a college course and study appropriately.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read the syllabus, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Successful completion of 1201APPRECAL/1202APPRECAL (AP PreCalculus), at Logos Prep during the preceding school year with a grade of 90% or higher and teacher referral, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

SCIENCE

7th Science: Life Science

Course Code, Year Long: 0701SCI

This course will teach students a solid foundation of life science to prepare for high school and college with practical applications, strong Biblical integrations, and fun, memorable lessons and labs. Fall semester topics include ethics, cells, DNA and protein synthesis, genetics, creation, evolution, and an introduction to microbiology and plants.. Spring semester topics include animals, ecosystems, the human body, and health. Lab kits will be used to enhance learning by providing hands-on experiences which will enable students to better understand science as it relates to the world around them. All secondary science classes require mandatory attendance to a separate science lab. Students in 7th and 8th grades will attend once per semester. Science lab classes will be 2 hours on specific dates throughout the semester,

and will allow more dedicated time solely to hands-on lab activities. Science lab dates to be announced. An emphasis is placed on building a study plan for success in high school and college.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

8th Science: Integrated Physics and Chemistry (IPC)

Course Code, Year Long: 0801IPC

This course will serve students as a lab-based introduction to future coursework in chemistry and physics while ensuring a mastery of the basics of each on their level. The Fall semester focuses on Chemistry and covers scientific notation, classification and properties of matter, atomic structure, elements and the periodic table, chemical formulas, physical and chemical changes, and different types of chemical reactions. The Spring semester focuses on Physics and covers energy, forces and the basic mathematical formulas used to measure these forces, Newton's Laws, simple machines, electricity, magnetism, waves, and optics. All secondary science classes require mandatory attendance to a separate science lab. Students in 7th and 8th grades will attend once per semester. Science lab classes will be 2 hours on specific dates throughout the semester, and will allow more dedicated time solely to hands-on lab activities. Science lab dates to be announced.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests or successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year.

9th Science: Biology

Course Code, Year Long: 0901SCI

This course is designed to present basic biological concepts from a molecular approach, with an emphasis on laboratory and process skills. Major topics include the following: the nature of science and biology, energy for life, microbiology, living chemistry, ecological interactions, plants, cells and cellular processes, vertebrates, human systems, genetics, invertebrates, the origin of life. Mathematical processes are also applied and the course includes a lab. All secondary science classes require mandatory attendance to a separate science lab. Students in 9th - 12th grades will attend lab class once per grading period (3 times

per semester). Science lab classes will be 2 hours on specific dates throughout the semester, and will allow more dedicated time solely to hands-on lab activities. Science lab dates to be announced.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year, completion of or concurrently enrolled in Algebra 1, or approval by administration.

10th Science: Chemistry

Course Code, Year Long: 1001SCI

Chemistry includes the study of the structure, composition and behavior of matter, as well as factors that affect the interaction of matter. This chemistry course will present foundational ideas behind atomic structure, bonding, stoichiometry, nomenclature, kinetic theory, solutions, equilibrium, thermo-chemistry, acid-base chemistry, and electrochemistry. It will also stress chemistry applications and promote the development of organized problem solving, classifying matter, quantifying chemicals, and predicting chemical phenomena. This is a lab course that will require students to learn and apply principles of modern chemistry. Lab kits and sensors will be used to enhance learning by providing hands-on experiences which will enable students to better understand science as it relates to the world around them. All secondary science classes require mandatory attendance to a separate science lab. Students in 9th - 12th grades will attend lab class once per grading period (3 times per semester). Science lab classes will be 2 hours on specific dates throughout the semester, and will allow more dedicated time solely to hands-on lab activities. Science lab dates to be announced.

Parent Role: Guide for Dependent Study: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Science sequence during the preceding school year and completion of Algebra 1, acceptance of transfer credit of the previous course in the Science sequence, or approval by administration.

11th Science: Physics

Course Code, Year Long: 1101SCI

This course is the study of the physical world, including matter and energy and their interactions. It will focus on using basic concepts, equations, and assumptions to describe the physical world, solve problems

and make predictions about a broad range of phenomena. The topics included are kinematics, dynamics, conservation of energy and momentum, heat, electrostatics, electricity, magnetism, electromagnetic induction, waves, light, sound, the photoelectric effect and the atom, with Subatomic Modern Physics and Quantum Mechanics capping the course in the Spring semester.

Laboratory investigations will emphasize the development of process skills. Lab kits will be used to enhance learning by providing hands-on experiences which will enable students to better understand science as it relates to the world around them. All secondary science classes require mandatory attendance to a separate science lab. Students in 9th - 12th grades will attend lab class once per grading period (3 times per semester). Science lab classes will be 2 hours on specific dates throughout the semester, and will allow more dedicated time solely to hands-on lab activities. Science lab dates to be announced.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of Biology, Chemistry, Algebra I, Geometry, and completion of or concurrent enrollment in Algebra 2, acceptance of transfer credit of the previous course in the Science sequence, or approval by administration.

12th Grade Science: Human Anatomy & Physiology

Course Code, Year Long: 1201SCIAP

This course will give students knowledge of human anatomy & physiology. It fulfills a core science requirement for Logos Prep, prepares students for collegiate science courses, provides a variety of practical knowledge and insights into the human body, and can provide an early foundation for health careers. Topics will include anatomical terminology, cells and tissues, and major body systems including the integumentary, skeletal, muscular, nervous, and endocrine systems. The second half of the course covers major body systems including the circulatory, respiratory, digestive, excretory, and reproductive systems. This class has lab practicals to apply classroom learning as well as exploratory labs that include dissections for discovery of anatomy.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Must be of 11th or 12th grade classification. Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of Biology, Chemistry, and

Algebra I and completion of or concurrent enrollment in Geometry, acceptance of transfer credit of the previous course in the Science sequence, or approval by administration.

12th Science: Forensic Science

Course Code, Year Long: 1201FS

Students will be introduced to forensic science, and the course will focus on practices and analysis of physical evidence found at crime scenes. The fundamental objective is to teach basic processes and principles of scientific thinking from a multidisciplinary viewpoint. Students will use problem-solving skills to address real life situations that are not only science related, but cross the curriculum with critical thinking skills.

Parent role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Must be of 10th, 11th, or 12th grade classification; student must have successfully completed Biology, acceptance of transfer credit of the previous course in the Science sequence, or approval by administration.

Engineering Essentials

Course Code, Year Long: 1201ENGINEER

Engineering Essentials is a full-year course in which students explore the work of engineers and their role in the design and development of solutions to real-world problems. The course introduces students to engineering concepts that are applicable across multiple engineering disciplines and empowers them to build technical skills through the use of a variety of engineering tools, such as geographic information systems (GIS), 3-D solid modeling software, and prototyping equipment. Students learn and apply the engineering design process to develop mechanical, electronic, process, and logistical solutions to relevant problems across a variety of industry sectors, including health care, public service, and product development and manufacturing. Using PLTW’s activity-, project-, problem-based (APB) instructional approach, students advance from completing structured activities to solving open-ended projects and problems that provide opportunities to develop planning and technical documentation skills, as well as in-demand, transportable skills, such as problem solving, critical and creative thinking, collaboration, communication, and ethical reasoning. The last is particularly important as the course encourages students to consider the impacts of engineering decisions. Building enthusiasm for and a real understanding of role, impact, and practice of engineering is a primary goal of the course.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Successful completion of Algebra 1 at Logos Prep during the preceding school year with a grade of 85% or higher and teacher referral, acceptance of transfer credit of the previous course in the Math sequence, or approval by administration.

WORLD LANGUAGE

American Sign Language 1

Course Code, Year Long: 1301ASL1

This course provides students with an introductory level of ASL, making meaningful cultural and community connections and comparisons with the Deaf community and its members through communication in ASL. An understanding of Deaf culture and the challenges faced by its members is vital to being able to accurately use the language; students will develop an understanding of people who are different from them in general. Students are introduced to dialogue, ASL grammar and vocabulary, and will interpret familiar passages of Scripture. The course includes various projects and presentations, current events, skits, games, native speakers, role playing and authentic practice and interaction. Students will be required to attend a number of outside of class activities or events, including signed or interpreted worship services, Deaf socials, and more. Online tools are integrated into learning and homework. Signing proficiency is assessed regularly.

Parent Role: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parent assistance and supervision with outside language experience is necessary, especially as it relates to earning Culture Points for attendance at various events outside of school engaging with the Deaf community. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Parents should always oversee the use of the internet.

Course Prerequisites: Students must have the ability to learn visually and/or kinesthetically, and to focus in a mostly silent environment. Must be able to read, interpret, and communicate body language and facial expressions. High School classification or approval by the instructor/department head. It may be approved for 8th grade enrollment by the instructor/department head. Enrollment in second semester is dependent on the successful completion of the first semester.

American Sign Language 2

Course Code, Year Long: 1301ASL2

ASL II builds on the skills and vocabulary that have been developed in ASL I. Students will continue to make meaningful cultural and community connections and comparisons with the Deaf community and its members through communication in ASL. An understanding of Deaf culture and the challenges faced by its members is vital to being able to accurately use the language; students will continue to develop an understanding of people who are different from them in general. Students are introduced to dialogue, ASL grammar and vocabulary, and will interpret familiar passages of Scripture. The course includes

various projects and presentations, current events, skits, games, native speakers, role playing and authentic practice and interaction. Students will be required to attend a certain number of Deaf events throughout the year, such as worship times at Deaf churches, monthly Deaf Socials at local restaurants, and occasionally performances by the Deaf. Online tools are integrated into learning and homework. Signing proficiency is assessed regularly.

Parent Role: Parents should monitor their students' progress and offer assistance as needed. Parent assistance and supervision with outside language experience is necessary, especially in reference to Deaf Culture events. Parents should consistently help their child achieve the stated unit goals by encouraging them to become independent leaders who contact their teacher with any struggles they face. Parents should always oversee the use of the internet.

Course Prerequisites: Freshman or higher classification, satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep American Sign Language sequence during the preceding school year, or approval by the instructor/department head. Enrollment in second semester is dependent on the successful completion of the first semester.

American Sign Language 3

Course Code, Year Long: 1301ASL3

ASL III continues to build on the skills that have been developed in ASL I and ASL II. Fewer new vocabulary words are added during this course because the focus is on fluency with the signs the students already know, similar to the way advanced English students begin working more on poetry and developing skillful writing and storytelling with the vocabulary they have developed in earlier years. Students will continue to make meaningful cultural and community connections and comparisons with the Deaf community and its members through communication in ASL. Students will focus on developing their communication skills, primarily through dialogues and storytelling, with a goal of making those stories and dialogues flow smoothly as they develop some of the techniques and mimic the fluidity and fluency of native signers. This course includes various projects and presentations, current events, skits, games, native speakers, role playing and authentic practice and interaction. Scriptures and biblical concepts will be regularly interpreted into ASL and signed. *Students will be required to attend a number of Deaf events throughout the year.* Available events will be announced as they are scheduled, and students are also allowed to do their own research to find events and get approval for credit for attendance at such events. Options include worship times at Deaf churches, monthly Deaf socials at local restaurants and malls, and occasionally performances by the Deaf. Online tools are integrated into learning and homework. Signing proficiency is assessed regularly.

Parent Role: Parents should assist their children as needed concerning their assignments, making their goal to focus on guiding their children to be competent, independent learners and leaders. Parent assistance and supervision with Culture Points language experience is less necessary at this age, as many students who enroll in this course will have the ability to transport themselves from place to place. Parents should encourage their children to discuss all academic dealings with their teacher themselves, to prepare them for the higher-level learning that they will soon enter. Parents should always be aware of their children's use of the internet.

Course Prerequisites: ASL I and ASL 2; satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep American Sign Language sequence during the preceding school year, or approval by the instructor/department head. Enrollment in second semester is dependent on the successful completion of the first semester.

American Sign Language 4

Course Code, Year Long: 1301ASL4

ASL IV continues to build on the skills that have been developed in ASL I, II, and III. Students will learn how to develop and maintain relationships by sharing personal and amusing stories with others who speak the language. They will continue to make meaningful cultural and community connections and comparisons with the Deaf community and its members through communication in ASL. Students will focus on developing their communication skills, primarily through dialogues, explanations, storytelling, with a goal of making those stories and dialogues flow smoothly as they develop some of the techniques and mimic the fluidity and fluency of native signers. Students will also begin to develop their interpreting skills from both spoken and written word, with specific, native grammar structures guiding them towards fluency in ASL and much less reliant on English.

This course includes various projects and presentations, current events, skits, games, native speakers, role playing and authentic practice and interaction. Scriptures, prayers, and biblical concepts will be regularly interpreted into ASL and signed. As part of Logos' Foreign Language Culture Points, students will be required to attend Deaf events each year. Available events will be announced as they are scheduled, and students are also allowed to do their own research to find events and get approval for credit for attendance at such events. Options include worship times at Deaf churches, monthly Deaf socials at local restaurants and malls, performances by the Deaf, signing the national anthem at Logos home games, competing in an ASL-related competition, and more. Online tools are integrated into learning and homework. Signing proficiency is assessed regularly. The textbook for this course comes with a DVD for the assignments. If there is no DVD player available for the student, parents may also choose to pay a fee for online access to the videos that are required for the homework assignments.

Parent Role: Parents should assist their children as needed concerning their assignments, making their goal to focus on guiding their children to be competent, independent learners and leaders. Parent assistance and supervision with Culture Points language experience is less necessary at this age, as many students who enroll in this course will have the ability to transport themselves from place to place. Parents should encourage their children to discuss all academic dealings with their teacher themselves, to prepare them for the higher-level learning that they will soon enter. Parents should always be aware of their children's use of the internet.

Course Prerequisites: Junior or senior classification, ASL I, II and III; satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep American Sign Language sequence during the preceding school year, or approval by the instructor/department head. Enrollment in second semester is dependent on the successful completion of the first semester.

American Sign Language 5

Course Code, Year Long: 1301ASL5

ASL V continues to build on the skills that have been developed in ASL I, II, III and IV. Students will learn how to develop and maintain relationships by sharing personal and amusing stories with others who speak the language. They will continue to make meaningful cultural and community connections and comparisons with the Deaf community and its members through communication in ASL. Students will focus on developing their communication skills, primarily through dialogues, explanations, storytelling, with a goal of making those stories and dialogues flow smoothly as they develop some of the techniques and mimic the fluidity and fluency of native signers. Students will also begin to develop their interpreting skills from both spoken and written word, with specific, native grammar structures guiding them towards fluency in ASL and much less reliant on English.

This course includes various projects and presentations, current events, skits, games, native speakers, role playing and authentic practice and interaction. Scriptures, prayers, and biblical concepts will be regularly interpreted into ASL and signed. As part of Logos' Foreign Language Culture Points, students will be required to attend Deaf events each year. Available events will be announced as they are scheduled, and students are also allowed to do their own research to find events and get approval for credit for attendance at such events. Options include worship times at Deaf churches, monthly Deaf socials at local restaurants and malls, performances by the Deaf, signing the national anthem at Logos home games, competing in an ASL-related competition, and more. Online tools are integrated into learning and homework. Signing proficiency is assessed regularly. The textbook for this course comes with a DVD for the assignments. If there is no DVD player available for the student, parents may also choose to pay a fee for online access to the videos that are required for the homework assignments.

Parent Role: Parents should assist their children as needed concerning their assignments, making their goal to focus on guiding their children to be competent, independent learners and leaders. Parent assistance and supervision with Culture Points language experience is less necessary at this age, as many students who enroll in this course will have the ability to transport themselves from place to place. Parents should encourage their children to discuss all academic dealings with their teacher themselves, to prepare them for the higher-level learning that they will soon enter. Parents should always be aware of their children's use of the internet.

Course Prerequisites: Senior classification, ASL I, II, III and IV; satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep American Sign Language sequence during the preceding school year, or approval by the instructor/department head. Enrollment in the second semester is dependent on the successful completion of the first semester.

Spanish 1

Course Code, Year Long: 1301SPAN1

This course provides students with an introductory level of Spanish. A connection between Spanish- and the many cultures that speak it - is achieved by emphasizing language skills as a means to understand, interact, and witness. Students are introduced to dialog, Spanish grammar and vocabulary through Senderos 1, novels, familiar passages of Scripture, rotating projects, oral presentations, internet programs, current events, skits, games, native speakers, and role playing. Online tools are integrated into learning

and homework.

Parent Role: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Parents should always oversee the use of the internet.

Course Prerequisites: Freshman or higher classification or approval by the instructor/department head. It may be approved for 8th grade enrollment by the instructor/department head. Enrollment in the second semester is dependent on the successful completion of the first semester.

Spanish 2

Course Code, Year Long: 1301SPAN2

This course builds on previous knowledge by reviewing the basics of Spanish I. Spanish II is presented with more intricate grammar, conversation, and idioms. As with Spanish 1, a vital connection between Spanish and the cultures that speak it is achieved by emphasizing language skills as a means to understand, interact, and witness. Cultural understanding and comprehension are honed using an online immersion program. The program exposes students to multiple Spanish speaking cultures, accents, and socio-economic levels. Bible passages in Spanish are studied, and dialog skills, multiple verb tenses and theme-based vocabulary are studied. The curriculum Senderos II will be used. In this course students will have more sophisticated projects, oral presentations, novels, current events, skits, games, native speakers, role-playing, etc. as part of their program. Online tools are integrated into learning and homework.

Parent Role: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Parents should always oversee the use of the internet.

Course Prerequisites: Freshman or higher classification, satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Spanish sequence during the preceding school year, or approval by the instructor/department head. Enrollment in the second semester is dependent on the successful completion of the first semester.

Spanish 3

Course Code, Year Long: 1301SPAN3

This course builds on previous knowledge by completely reviewing the basics of Spanish II. More advanced grammar, conversation, and idioms develop proficiency in Spanish communication through making conversation in everyday life scenarios and through writing about various experiences in Spanish. Emphasis is placed on advanced oral and written expression in the Spanish Language, for practical and professional preparation. Frequent oral evaluations take place. As with Spanish 2, a vital connection between Spanish and the cultures that speak it is achieved by emphasizing language skills as

a means to interact or witness to those cultures. Cultural understanding is emphasized using an online immersion program exposing students to multiple Spanish-speaking cultures, accents, and socio-economic levels. The Bible in Spanish is studied as a tool for discussing and thinking critically using familiar passages of Scripture. In this course, students will have more sophisticated rotating projects, oral presentations, internet programs, current events, skits, games, native speakers, role-playing, etc. as part of the program. Students will read and analyze novels and short stories. Although Spanish grammar will be reviewed, students will develop proficiency in Spanish communication through making conversation in everyday life scenarios and through writing about various experiences in Spanish. Online tools are integrated into learning and homework.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their students on days they are not attending Logos. Parents should always oversee the frequent use of the internet.

Course Prerequisites: Freshman or higher classification, satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Spanish sequence during the preceding school year, or approval by the instructor/department head.

Spanish 4

Course Code, Year Long: 1301SPAN4

Spanish 4 will provide necessary linguistic and cultural content for students to achieve advanced-level proficiency in listening, speaking, reading, and learning Spanish and to build students' thinking skills and language proficiency to the level of the National Standards in Foreign Language Education. Students have the opportunity to participate in the instruction of Spanish 3, including reading aloud “teacher” passages, facilitating question and answer sessions, assessing answers, explaining grammatical concepts, and role-playing – all with close teacher supervision and correction. Cultural understanding is emphasized using an advanced online immersion program exposing students to multiple Spanish-speaking cultures, accents, and socio-economic levels. The Bible in Spanish is studied as a tool for discussing and thinking critically using familiar passages of Scripture. Spanish 4 students also use an advanced audio-language program as “language lab” and frequent oral evaluations are given. Latin American and Spanish literature is studied as well. Students will develop biblical critical thinking and leadership skills in advanced Spanish. Online tools are integrated into learning and homework.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their students on days they are not attending Logos. Parents should always oversee the frequent use of the internet.

Course Prerequisites: Junior or higher classification, satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Spanish sequence during the preceding school year, or approval by the instructor/department head. Enrollment in the second semester is dependent on the successful completion of the first semester.

Spanish 5

Course Code, Year Long: 1301SPAN5

Spanish 5 students complete college-level independent projects based on real-world experience, current events, and community outreach in Spanish. Necessary linguistic and cultural content is given for students to achieve advanced-level proficiency in listening, speaking, reading, and writing Spanish, and to build students' thinking skills and language proficiency to the level of the National Standards in Foreign Language Education. Students are Teacher-Assistants in Spanish 2 and 3, reading aloud "teacher" passages, facilitating question and answer sessions, assessing answers, explaining grammatical concepts, and role-playing – all with close teacher supervision and correction. Cultural understanding is emphasized using an advanced online immersion program exposing students to multiple Spanish-speaking cultures, accents, and socio-economic levels. Bible study leadership is required in Spanish 5 for discussing and thinking critically using familiar passages of Scripture. Spanish 5 students also use an advanced audio-language program as "language lab" and frequent oral evaluations are given. Latin American and Spanish literature is studied as well. Students will develop biblical critical thinking and leadership skills in advanced Spanish.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a "satellite classroom" environment for their students on days they are not attending Logos. Parents should always oversee the frequent use of the internet.

Course Prerequisites: Senior classification, satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of the preceding course in the Logos Prep Spanish sequence during the preceding school year, or approval by the instructor/department head. Enrollment in the second semester is dependent on the successful completion of the first semester.

ELECTIVES

JUNIOR HIGH ELECTIVES

JH Spanish 1A, 7th and 8th Grades

Course Code Year Long: 0701SPAN1A

JH Spanish 1A covers the same material as first semester HS Spanish 1. Seventh grade students may take this course and take JH Spanish 1B the following year to potentially complete a full credit for Spanish 1, if a student achieves an 85-overall average for all four semesters (1A Fall, 1A Spring, 1B Fall, 1B Spring).

Eighth grade students may take this course as a JH elective and as a foundation for HS Spanish 1.

Parent Role: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Parents should always oversee the use of the internet.

Course Prerequisites: None; prior Spanish study encouraged. Enrollment in the second semester is dependent on the successful completion of the first semester.

JH Spanish 1B, 8th Grade

Course Code Year Long: 0801SPAN1B

JH Spanish 1B covers the same material as second semester HS Spanish 1. After successfully completing JH Spanish 1A, JH Spanish 1B may be completed the following year to potentially complete a full credit for Spanish 1, if the student achieves an 85-overall average for all four semesters (1A Fall, 1A Spring, 1B Fall, 1B Spring).

Parent Role: Parents should read each assignment sheet, structure the time and place for completing assignments, offer assistance as needed, and verify that each assignment has been completed. Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Parents should always oversee the use of the internet.

Course Prerequisites: Successful completion of JH Spanish 1A. Enrollment in the second semester is dependent on the successful completion of the first semester.

Study Skills, 7th and 8th Grades Combined (This course is offered for the fall semester only)

Course Code, 1st semester: 0701SKILLS

The Study Skills class introduces concepts necessary for student success and progress in effective study throughout life. It is designed to accomplish the following objectives:

1. It helps students understand that there are specific steps and strategies they can learn and apply which will increase the effectiveness of their learning and study.
2. It builds specific skills and provides specific tools they can use throughout life to help them accomplish their goals.
3. It helps students develop attitudes that increase their abilities to use this system in their everyday life.
4. It helps students understand more fully their own role in their success in anything they seek to accomplish.

Course Prerequisites: Students must be Junior High classification for enrollment in this course.

JH Drawing & Mixed Media

Course Code, Year Long: 0701JHDRAW

At Logos Prep, the goal of fine arts is to promote among our students a more godly approach to both the practice and enjoyment of the arts and to prepare them for more effective ministry to others. Drawing & Mixed Media will introduce students to foundational drawing techniques using graphite, colored pencils and other dry media. Students will also be able to explore combining different mediums in a creative and expressive manner, focusing on creating layers, textures, composition, color theory and mark making across various surfaces.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their students and to monitor how well they are doing. They need to have a sincere interest in their children's class activities and express that interest to them. Furthermore, help at home might be needed occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Students must be Junior High classification for enrollment in this course. This class is taken as a full year.

JH Keyboarding and Computer Applications

Course Code, 1st and 2nd semester: 0701COMP

First semester will focus on keyboarding. By use of an online, interactive tool and teacher direction, students will learn the proper form for keyboarding. Learning correct typing techniques will help with speed and accuracy as students grow older and become more dependent on electronic forms of communication and reporting.

Second semester introduces students to the basic and intermediate functions of cloud based Google Docs, Sheets, and Slides. Students will learn how to type a document, customizing the font, spacing, and borders, type a friendly letter, insert clip art and pictures, set tabs and create a table in Google Docs. In Google Sheets, they will learn how to create a simple spreadsheet and create formulas. Creating slides with timed settings, outlines and importing images will be taught in Google Slides. After learning these skills, students will partner with a classmate and create a mock business integrating all applications previously taught. All work will be done in class and with presentations at the end of the semester.

Parent Role: Course Monitor: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Student must be of junior high classification for enrollment in this course. This class may be taken as a full year or for a single semester, fall or spring.

JH Yearbook

Course Code, Year Long: 0701JHYEAR

This course is designed to produce student-led and created publications that accurately represent the student body and their interests as well as serve as a means of fostering a sense of community and school pride. Students will begin to learn how to run the business of publications, focusing on the Elementary

Yearbook. Under the direction of the Editor, JH Yearbook staff will learn to produce quality publications and efficiently meet deadlines. All yearbook staffers are expected to exemplify godly character as the media ambassadors of Logos Preparatory Academy as they grow in the understanding of the potential opportunities to have an impact for Christ in the community.

Parent Role: Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. The majority of work done for this class is done during class time, however parents may possibly be called upon to get students to school events outside of normal school hours for photographs.

Course Prerequisites: Students must be Junior High classification for enrollment in this course.

OTHER HIGH SCHOOL CLASSES

Apologetics & Discipleship

Course Code, 1st and 2nd semester: 1301APOL/1302APOL

This one semester course is offered in the fall semester and repeated in the spring semester.

Apologetics and Discipleship is a course designed to prepare students to have an impact for Christ in a world outside of a Christ-centered environment. This class is based on 1 Peter 3:15 which says, "But in your hearts revere Christ as Lord. Always be prepared to give an answer to everyone who asks you to give the reason for the hope that you have. But do this with gentleness and respect." Students will learn how to systematically and persuasively defend their faith and offer hope to others through discourse grounded in compassion and Christ-likeness. The course will also emphasize critical thinking and discernment through daily discussions and cultural application of information learned.

Parent Role: The primary role of the parent is to serve as a source of support and encouragement. This can be done through the use of questions, discussion or through simple reassurance.

Course Prerequisites: Students must be high school classification and have completed Logic. This is a one semester class and may be taken in the fall or spring

Art 1

Course Code, Year Long: 1301ART1

Course Code, Year Long: 1301ART1

At Logos Prep, the goal of fine arts is to promote among our students a more godly approach to both the practice and enjoyment of the arts and to prepare them for more effective ministry to others. The first year of high school art is an introductory course for students who have had little experience with art. The course will allow the students to develop their artistic skills in several media, i.e., pencil, acrylics, pen and clay. Students will learn and become familiar with the elements of art, which are useful in all aspects of design. Students may take multiple years of the course, working with the instructor individually to develop advanced skills. This class can be considered a Fine Art or an Elective.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their students and to monitor how well they are doing. They need to have a sincere interest in their children's class activities and express that interest to them. Furthermore, help at home might be needed occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Students must be High school classification. This course may be approved for 8th grade enrollment by administration approval. This class is taken as a full year.

Art 2

Course Code, Year Long: 1301ART2

Course Code, Year Long: 1301ART2

At Logos Prep, the goal of fine arts is to promote among our students a more godly approach to both the practice and enjoyment of the arts and to prepare them for more effective ministry to others. Art students will continue learning and expanding on the elements of art by adding in the principles of design. Those who are serious about choosing art as a career will get the opportunity to produce quality work, fit enough for the portfolio for college. Students will continue to work in both 2-Dimensional and 3-Dimensional forms. In addition, they will focus more on finding their own artistic voice by exploring their imagination and creativity. Students will learn skills at this level in more of a studio environment. This will expose them to added areas of art, so they can have a more rounded view of art as a whole.

Parent Role: Project Assistant: The primary responsibility of the parents is to track the progress of their students and to monitor how well they are doing. They need to have a sincere interest in their children's class activities and express that interest to them. Furthermore, help at home might be needed occasionally in support of a particular project. If problems should develop, then the teacher needs to know immediately.

Course Prerequisites: Students must be High school classification, successful completion of the preceding course in the Logos Prep Art sequence during the preceding school year, or permission by administration. This class is taken as a full year.

Personal Finance (Previously Business Math)

Course Code, 1st and 2nd semester: 1301BUSMATH/1302BUSMATH

Business Math will include review of key mathematical concepts in preparation for college, and prepare students to make wise financial decisions by teaching such topics as (but not limited to) credit card charges, taxes, interest on loans and savings, personal banking, and costs of transportation, food, clothing, utilities, and insurance. Business Math has the goal of developing students who desire to have an impact for Christ through the building of critical thinking skills and Biblical stewardship. The goal is for students to use these Biblical concepts as they start to manage their own finances in college and beyond. This course is divided into 2 semesters. First semester covers personal finance topics such as net pay, gross pay, taxes, savings accounts, checking accounts, etc. Second semester covers investment and business topics.

Parent Role: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. **This class is a great opportunity for parents to discuss Biblical stewardship and how that relates to management of money.**

Course Prerequisites: This course is designed for juniors and seniors who have completed or are currently taking Algebra 2 or higher. It is an elective credit and cannot be counted as one of the four required math credits. This class may be taken as a full year or for a single semester, fall or spring.

College Admissions & Test Prep (This course is offered for the fall semester only)

Course Code, 1st semester: 1301CATPREP

This class will, in part, focus on preparation for the SAT and ACT college admissions tests. Students will receive direct instruction on each section of the tests. Critical Reading (ACT Reading), Math, Writing, ACT Science, and essay preparation and writing will be covered in detail, as well as general test-taking strategies. Students who take the PSAT offered in the fall semester (October) will benefit especially from customized review based on their previous PSAT results. Full-length practice tests will be taken to assess progress and give feedback. Overall, students will receive more than 40 hours of preparation for these important tests. In addition, the major grades in this beneficial course will focus on college preparation, such as college application essays. Since this is a preparation course, grades received will depend heavily upon participation and assignment completion rather than achievement. Please note that this class will not meet the week prior to, nor the week of final exams.

Parent Role: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent, but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In this course, they will also need to encourage them to complete the limited practice assignments required to be completed at home.

Course Prerequisites: Students must be 11th or 12th grade classification for enrollment in this course.

Graphic Design

Course Code, Year long class: 1301GRAPHIC

In the Graphic Design class, students will learn the principles of great design while using professional-grade design software to create digital drawings, logos, advertisements, magazine layouts, and more. Students complete the year by creating a digital portfolio to showcase their work. No prior art or design experience is necessary for this program. The topics covered will be the Principles of graphic design, digital drawing and tracing, typography and text effects, creating print advertisements, editing and retouching images, designing and creating a logo, print design layouts, and creating a digital design portfolio. *This class can be considered a Fine Art or an Elective.*

Parent Role: Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Though not required, it is recommended that students have access to a computer capable of

running the software used in the course.

Course Prerequisites: Students must be High school classification. This class may only be taken as a full year elective

Advanced Graphic Design

Course Code, Year long class: 1301ADVGRAPHIC

This course will build on the knowledge and skills acquired in 1301GRAPHIC. The Advanced Graphic Design class, students will begin to build their portfolio and begin to create graphic art. This class gives students the opportunity to perfect their graphic design skills along with competing in multiple graphic design competitions. *This class can be considered a Fine Art or an Elective.*

Parent Role: Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Though not required, it is recommended that students have access to a computer capable of running the software used in the course.

Course Prerequisites: Students must be High school classification. This class may only be taken as a full year elective. Students must have completed 1301GRAPHIC.

Introduction to Nutrition

Course Code, 1st Semester: 1301NUTRI

Introduction to Nutrition introduces students to the science of nutrition and its importance for lifelong health. Students will explore the three macronutrients (Carbohydrates, Fats, and Proteins), essential micronutrients (Vitamins, Minerals, and Antioxidants), how the body processes food, and the impact of nutrition on physical and mental well-being. Through interactive lessons, projects, and practical applications, students will learn the role of specific nutrients in an overall healthy diet, read and interpret nutrition labels, evaluate media messages about food, and understand cultural and environmental factors affecting nutrition. By the end of the course, students will be able to identify common food sources of primary nutrients, plan balanced meals, and apply critical thinking skills to nutrition-related topics in the real world.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. Parents should read assignment sheets, make sure their student is investing sufficient time on their assignments, and verify that assignments are being completed. Parents should be available to assist as needed with organization, accountability, and spiritual guidance and maintain a “satellite classroom” environment for their student on days they are not attending Logos Prep.

Course Prerequisites: Satisfactory performance on the appropriate placement/reading comprehension tests, successful completion of Biology, acceptance of transfer credit of the previous course in the Science sequence, or approval by administration.

Logic

Course Code, 1st and 2nd semester: 1301LOGIC/1302LOGIC

This one semester course is offered in the fall semester and repeated in the spring semester.

This course is designed uniquely to teach the science of logic and to foster a love for the art of eloquent argumentation. Students will learn how to form logical arguments and recognize erroneous ones. This course provides students with the tools to formulate solid arguments and support in their writing. This course will prepare students not only for the rigor of upper level classes but for a life destined to impact the world for Christ. "Put me in remembrance; let us argue together; set forth your case, that you may be proved right." – Isaiah 43:26.

Parent Role: The role of the co-teacher is to monitor assignments and progress through the use of Logos Prep supported communications. For maximum effectiveness, the co-teacher will have regular conversations with their students about the content of the lessons as they relate to real-life situations.

Course Prerequisites: Student must have a minimum classification of 8th grade for enrollment in this course. This is a one semester class and may be taken in the fall or spring.

Physical Education

Course Code, 1st and 2nd semester: 1301PE/1302PE

This is a one semester class and may be taken in the fall or spring.

This is designed to be an independent study course in physical education. This Physical Education class is only offered to those students who are not receiving a PE credit for their graduation requirements through athletics. The student will be required to participate in various forms of physical activity outside of Logos Prep each week, and keep a log of the activity. The purposes of the activities are to promote the development of physical strength, endurance, skills, and abilities, and prepare for a graded physical fitness test. Once per grading period (3 times each semester), the student will be required to perform a physical fitness test as assigned by the instructor. This test may include curl ups, endurance run/cardio exercise, pull-ups, and balance, sit reach, etc. This course is done completely independent and uses Google Classroom for all communication & assessment turn in. The student will earn .5 credit after successful completion of each semester.

Parent Role: Guide for Independent Study: Courses on this level mimic those offered in college where independent study skills and disciplined planning are necessary for academic success. In this course, parents should make sure their student is investing sufficient time on their assignments, and verify that weekly activities are being completed. Organization, consistency, and work ethic are key in an independent study course. Parents should be available to assist as needed with organization, accountability, and spiritual guidance, and maintain an environment for their student to achieve the physical fitness goals as required by the course.

Course Prerequisites: Students must be High school classification. This class may be taken as a full year or for a single semester, fall or spring. Physical Education may only be taken for an equivalent of one year.

Photography 1.2.3

Course Code, Year long class: 1301PHOTO

The photography course covers basic concepts and practice of digital photography, including understanding and use of the camera, lenses, and other basic photographic equipment. The course will address aesthetic principles as they relate to composition, space, exposure, light and color. Skills students will learn include the creative skills you need to capture unique photographs but also the technical skills necessary to operate camera equipment and edit photos after you've taken them. *This class can be considered a Fine Art or an Elective.*

Parent Role: Project Assistant: the primary responsibility of the parents is to track the progress of the students and make sure the photos are getting done. With our work being done on a digital camera, there is no need to get film developed, however, if the student chooses to compete in TAPPS competition in the spring, they will be responsible for getting prints made.

Course Prerequisites: Students must be High school classification. Students must have access to regular use of a DSLR camera and a tripod. Cell phone cameras are not acceptable.

Speech

Course Code, 1st and 2nd semester: 1301SPEECH/1302SPEECH

This one semester course is offered in the fall semester and repeated in the spring semester

In this course students will develop public speaking skills; including how to write a speech with effective supporting material, how to gain the confidence needed to articulate meaningful and eloquent messages, as well as how to present themselves in a professional manner. Students are required to research their topics and present well-prepared speeches, such as storytelling, demonstrative, informative, persuasive speeches, and more. Moreover, students will gain an understanding of the value of public speaking skills from a Biblical perspective.

Parent Role: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Students must be High School classification. This is a one semester class and may be taken in the fall or spring.

Speech 2 (This course is offered for the spring semester only)

Course Code: 2nd semester: 1302SPEECH2

Students will have the opportunity to continue to work on the communication skills learned in Speech. Major emphasis is given to working on the various speaking opportunities one will encounter throughout life: interviews, giving sales pitches, accepting awards, delivering technical briefings, introducing a guest speaker, and more. Students are required to research their topics and present well-prepared speeches. Students will learn professional and public speaking skills they can use in college and beyond.

Parent Role: Some courses will necessitate that teaching be done in the classroom and leaves little for the parents to teach at home. This role, therefore, will require the least amount of time by the parent but its importance cannot be understated. The primary responsibility of the parents is to track the progress of their son or daughter and to monitor how well they are doing. In short, parents need to show an interest and express this to their children.

Course Prerequisites: Students must be High School classification and have completed Speech.

Study Hall

Course codes available on Schedule of Courses & Tuition

Study halls are provided for students on campus during a time when they are not enrolled in a course. Students on campus must either be in a class or study hall. Study hall is a quiet environment where students may do homework or study for their classes. Study hall rosters are reconsidered each semester based on enrollment numbers. Students taking the class for a full year may experience a change in teacher or location at the semester.

Video Design & Editing

Course Code, Year long class: 1301VIDEO

In the Video Design & Editing class, students will learn the principles of great video production while using professional-grade design software to create videos. Students complete the year by creating a digital portfolio to showcase their work. No prior art or design experience is necessary for this program. The topics covered will be the Principles of video design & editing, editing and mixing audio, exploring compositing techniques, creating new video graphics, and creating a digital video portfolio. *This class can be considered a Fine Art or an Elective.*

Parent Role: Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. Though not required, it is recommended that students have access to a computer capable of running the software used in the course.

Course Prerequisites: Students must be High school classification. This class may only be taken as a full year elective

Worldview

Course Code, 1st and 2nd semester; 1301WORLD/1302WORLD

This one semester course is offered in the fall semester and repeated in the spring semester.

Worldview is a course designed to define a student's worldview, introduce our students to different worldviews, and teach our students how to interact with the world and current events. Students will be given opportunities to view the world around them through a Christ-centered lens and learn how to wrestle with material in a safe environment, preparing them to have an impact for Christ in their communities outside of Logos. "Your promises have been thoroughly tested, and your servant loves them." Psalm 119:140

Parent Role: The primary role of the parent is to serve as a source of support and encouragement. This can be done through the use of questions, discussion or through simple reassurance.

Course Prerequisites: Students must be a junior or senior and have completed Logic and Apologetics. This is a one semester class and may be taken in the fall or spring.

Yearbook 1, 2, 3, 4

Course Code, Year Long: 1301YEAR, 1301YEAR2, 1301YEAR3, 1301YEAR4

This course is designed to produce student-led and created publications that accurately represent the student body and their interests as well as serve as a means of fostering a sense of community and school pride. Students will learn how to run the business of publications and media outreaches. Logos Prep Yearbook staff members will be expected to take pictures of school activities, and participate in the creative process of student publications through layout design, writing, and marketing. Students may be required to attend events outside of school hours to take photographs. Each staff member will serve under the direction of a student supervisor/editor. Student editors will lead a team of staff members to produce quality publications and efficiently meet deadlines. All yearbook staffers are expected to exemplify godly character as the media ambassadors of Logos Preparatory Academy as they grow in the understanding of the potential opportunities to have an impact for Christ in the community. *This class can be considered a Fine Art or an Elective.*

Parent Role: Parents should consistently help their child achieve the stated unit goals by supervising study, discussing content as may be necessary, and by communicating with the teacher if difficulties should arise. The majority of work done for this class is done during class time, however parents may possibly be called upon to get students to school events outside of normal school hours for photographs.

Course Prerequisites: Must be High School Classification. Yearbook 1 is a prerequisite for entrance into Yearbook 2, 3, & 4. An exception to this will be considered based upon a strong recommendation from an English teacher and administration approval. This class may be taken as a full year or for a single semester, fall or spring.

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APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE BORROWER
FOR THE FISCAL YEARS ENDED MAY 31, 2025 AND 2024**

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LOGOS PREPARATORY ACADEMY



LOGOS PREPARATORY
ACADEMY

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED MAY 31, 2025 AND 2024 – AUDITED



DENNISON CPA
Church & Ministry Advisor

LOGOS PREPARATORY ACADEMY

TABLE OF CONTENTS

TABLE OF CONTENTS.....	1
INDEPENDENT AUDITOR'S OPINION PAGE.....	2 – 3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF ACTIVITIES.....	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF FUNCTIONAL EXPENSES – 2025	7
STATEMENT OF FUNCTIONAL EXPENSES – 2024	8
NOTES TO THE FINANCIAL STATEMENTS	9 – 18



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Logos Preparatory Academy
Sugar Land, Texas

Opinion

We have audited the accompanying financial statements of Logos Preparatory Academy (a nonprofit organization), which comprise the statement of financial position as of May 31, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Logos Preparatory Academy as of May 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Logos Preparatory Academy and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Logos Preparatory Academy's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore it is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial

likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Logos Preparatory Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Logos Preparatory Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Comparative Information

We have previously audited Logos Preparatory Academy's May 31, 2024 financial statements, and our report dated December 26, 2024 expressed an unmodified opinion on those financial statements. In our opinion, the comparative information presented herein as of and for the year ended May 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Dennison CPA, PC

Saint Cloud, Minnesota
December 23, 2025

LOGOS PREPARATORY ACADEMY

(a not-for-profit corporation)

Statement of Financial Position

As of May 31,

	2025	2024
<u>ASSETS</u>		
Cash and cash equivalents	6,687,405	6,283,733
Cash and cash equivalents - restricted	1,061,898	323,356
Accounts receivable	23,214	33,124
Prepaid expenses	106,665	152,801
Operating lease right-of-use asset	211,369	565,621
Property and equipment - net	588,913	86,322
<u>TOTAL ASSETS</u>	<u>8,679,464</u>	<u>7,444,955</u>
<u>LIABILITIES</u>		
Accounts payable & accrued expenses	130,306	52,795
Deferred revenue	90,342	94,612
Lease liability	211,369	565,621
<u>TOTAL LIABILITIES</u>	<u>432,017</u>	<u>713,028</u>
<u>NET ASSETS</u>		
Without donor restrictions		
Undesignated	7,133,264	6,408,572
Board designated	52,286	-
Total net assets without donor restrictions	7,185,549	6,408,572
With donor restrictions	1,061,898	323,356
Total Net Assets	8,247,447	6,731,928
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>8,679,464</u>	<u>7,444,955</u>

LOGOS PREPARATORY ACADEMY

(a not-for-profit corporation)

Statement of Activities

For the Years Ended May 31,

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, GAINS, AND LOSSES						
Tuition & Fees	4,799,497	-	4,799,497	4,639,305	-	4,639,305
Less: Discounts	(390,325)	-	(390,325)	(364,095)	-	(364,095)
Total Tuition & Fees	4,409,172	-	4,409,172	4,275,210	-	4,275,210
Contributions	102,209	776,309	878,517	98,600	530,038	628,638
Program fees	652,874	-	652,874	437,463	-	437,463
Grant Revenue	-	-	-	962,025	-	962,025
Interest Income	305,115	-	305,115	246,250	-	246,250
Misc. Income	13,909	-	13,909	4,791	-	4,791
Net Assets Released from Restrictions	37,767	(37,767)	-	271,064	(271,064)	-
Total Revenue, Support, Gains/Losses	5,521,046	738,542	6,259,588	6,295,402	258,974	6,554,376
FUNCTIONAL EXPENSES						
Program Services Expense						
Education	3,393,574	-	3,393,574	3,251,803	-	3,251,803
Total Program Services Expenses	3,393,574	-	3,393,574	3,251,803	-	3,251,803
Supporting Services Expense						
Management and General	1,228,006	-	1,228,006	948,816	-	948,816
Fundraising and Development	122,489	-	122,489	181,457	-	181,457
Total Supporting Services Expenses	1,350,495	-	1,350,495	1,130,273	-	1,130,273
Total Expenses	4,744,069	-	4,744,069	4,382,076	-	4,382,076
Change in Net Assets	776,977	738,542	1,515,519	1,913,326	258,974	2,172,300
Net Assets, Beginning of Year	6,408,572	323,356	6,731,928	4,495,246	64,381	4,559,628
Net Assets, End of Year	7,185,549	1,061,898	8,247,447	6,408,572	323,356	6,731,928

LOGOS PREPARATORY ACADEMY

(a not-for-profit corporation)

Statement of Cash Flows

For the Years Ended May 31,

<u>OPERATING ACTIVITIES</u>	<u>2025</u>	<u>2024</u>
Change in net assets	1,515,519	2,172,300
Adjustments to reconcile net assets to net cash provided by operating activities		
Depreciation	75,877	68,289
(Increase) decrease in operating assets:		
Accounts receivable	9,909	(10,826)
Prepaid expenses	46,135	(116,491)
Increase (decrease) in operating liabilities:		
Accounts payable & accrued expenses	77,511	(22,592)
Deferred revenue	(4,270)	23,186
Net cash provided by operating activities	<u>1,720,682</u>	<u>2,113,866</u>
<u>INVESTING ACTIVITIES</u>		
Construction in progress	(423,995)	-
Investment in leasehold improvements	(3,991)	-
Acquisition of furniture, fixtures & equipment	<u>(150,482)</u>	<u>-</u>
Net cash flows from investing activities	<u>(578,468)</u>	<u>-</u>
<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>1,142,214</u>	<u>2,113,866</u>
<u>CASH AND CASH EQUIVALENTS - BEGINNING</u>	<u>6,607,088</u>	<u>4,493,223</u>
<u>CASH AND CASH EQUIVALENTS - ENDING</u>	<u>7,749,303</u>	<u>6,607,088</u>

LOGOS PREPARATORY ACADEMY

(a not-for-profit corporation)

Statement of Functional Expenses

For the Year Ended May 31, 2025

	Program		Supporting Services			
	Education	Total Program Services	Management and General	Fundraising and Development	Total Supporting Activities	Total
Academics	101,430	101,430	-	-	-	101,430
Advertising	-	-	21,231	-	21,231	21,231
Athletics	228,159	228,159	-	-	-	228,159
Bank fees	-	-	19,723	-	19,723	19,723
Credit loss	-	-	28,854	-	28,854	28,854
Depreciation	73,847	73,847	2,030	-	2,030	75,877
Events	-	-	17,456	17,314	34,770	34,770
Facility rent	345,688	345,688	9,502	-	9,502	355,190
Maintenance & repairs	-	-	84,789	-	84,789	84,789
Operations	30,166	30,166	120,980	3,480	124,460	154,626
Professional fees	-	-	45,737	101,695	147,432	147,432
Salaries & related benefits	2,410,851	2,410,851	602,713	-	602,713	3,013,563
Staff development	60,647	60,647	-	-	-	60,647
Supplies	120,437	120,437	87,512	-	87,512	207,950
Travel & conferences	8,058	8,058	187,088	-	187,088	195,146
Utilities	14,290	14,290	393	-	393	14,683
Total Expenses	3,393,574	3,393,574	1,228,006	122,489	1,350,495	4,744,069

LOGOS PREPARATORY ACADEMY

(a not-for-profit corporation)

Statement of Functional Expenses

For the Year Ended May 31, 2024

	Program		Supporting Services			
	Education	Total Program Services	Management and General	Fundraising and Development	Total Supporting Activities	Total
Academics	98,359	98,359	-	-	-	98,359
Advertising	-	-	13,538	-	13,538	13,538
Athletics	218,677	218,677	-	-	-	218,677
Bank fees	-	-	19,284	-	19,284	19,284
Depreciation	66,462	66,462	1,827	-	1,827	68,289
Events	-	-	10,403	41,912	52,316	52,316
Facility rent	324,743	324,743	8,926	-	8,926	333,669
Maintenance & repairs	-	-	75,025	-	75,025	75,025
Operations	104,280	104,280	146,224	5,615	151,838	256,119
Professional fees	-	-	37,259	133,930	171,189	171,189
Salaries & related benefits	2,226,795	2,226,795	556,699	-	556,699	2,783,494
Staff development	53,472	53,472	-	-	-	53,472
Supplies	136,442	136,442	79,283	-	79,283	215,724
Travel & conferences	9,911	9,911	-	-	-	9,911
Utilities	12,662	12,662	348	-	348	13,010
Total Expenses	3,251,803	3,251,803	948,816	181,457	1,130,273	4,382,076

NOTE 1 - NATURE OF ORGANIZATION:

Logos Preparatory Academy (Organization) was organized and incorporated in the State of Texas on August 18, 2004.

Logos Preparatory Academy is one of the largest K-12 University-Model® schools in the nation, with a successful 17-year track record. A University-Model® school is a blend of the most positive aspects of traditional public and private schools in a family-friendly Christian environment that offers elementary through high school students a rewarding college preparatory education. Logos Preparatory Academy employs teachers who are either certified or hold advanced degrees or experience in their area of expertise. Logos Preparatory Academy offers instruction for Kindergarten through twelfth grade. Kindergarten students are on campus for a full day Tuesday and Thursday and a half day on Wednesday. First through sixth grade students attend classes on campus each Tuesday and Thursday, while seventh through twelfth attend primarily on Monday, Wednesday and Friday. The alternate days are spent at home in the satellite classroom where parents monitor student progress. At all levels, purposeful teaching promotes academic excellence, critical thinking, and the imparting of a Biblical worldview.

The Organization has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that the entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Reporting – Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) and include all activities carried on in the name of the Organization. Revenues and expenses are recognized in the period earned or incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board from time to time designates, from net assets without donor restrictions, net assets for an operating reserve and/or board-designated programs.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. We report conditional contributions restricted by donors as increases

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

in net assets without donor restrictions if the restrictions and conditions expire simultaneously in the reporting period. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released when received and released from restrictions when the assets are placed in service.

Cash & Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held in bank accounts. The Organization considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. These balances are maintained at financial institutions that management believes to be of high credit quality.

Cash and Cash Equivalents Concentrations

The Organization maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an agency of the federal government. The Organization has not experienced any losses in such accounts, and the Organization believes it is not exposed to any significant credit risks related to cash and cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Revenue Recognition

The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*, and ASC Topic 958, *Not-for-Profit Entities*. The Organization's revenue streams primarily include contributions, tuition and fees, and ancillary sales. Revenue is recognized when performance obligations are satisfied, and control of promised goods or services is transferred to the customer.

Contributions: Contributions received without donor restrictions are recognized as revenue when received or unconditionally promised. These revenues are considered nonexchange transactions and are accounted for under ASC 958-605. Contributions with donor-imposed restrictions are reported as restricted support and are reclassified to net assets without donor restrictions upon satisfaction of the restriction.

Program Revenue and Exchange Transactions: Revenue from exchange transactions is recognized when control of the promised goods or services is transferred to the customer or beneficiary in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods or services. This includes program service fees, sales of materials, and event fees. The Organization identifies the contract, performance obligations, transaction price, and allocates the transaction price to the performance obligations, recognizing revenue when or as the performance obligations are satisfied.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Tuition and Fees: Tuition and program fees relate to educational services provided by the Organization's school. Revenue is recognized over the academic term as educational services are provided. All amounts received prior to the commencement of the academic year, including enrollment deposits, are deferred to the applicable period. Scholarships provided to students are recorded as a reduction from the posted tuition at the time revenue is recognized.

The following table provides information about significant changes in the deferred revenue for the years ended May 31, 2025 and 2024:

	2025	2024
Deferred tuition, beginning of year	\$ 94,612	\$ 71,426
Revenue recognized that was included in deferred tuition at the beginning of year	(94,612)	(71,426)
Increase in deferred tuition due to cash received during the period	90,342	94,612
Deferred tuition, ending of year	<u>\$ 90,342</u>	<u>\$ 94,612</u>

Event Fees: The Organization hosts various events including conferences, retreats, and special services. Event fees are recognized as revenue when the event occurs. Fees collected in advance are recorded as deferred revenue until the performance obligation is satisfied.

Investment income: is recorded as revenue in the period in which it is earned and includes interest, dividends, realized gains and losses on investments, and the net change in the fair value of investments. Investment income is reported in the statement of activities as increases or decreases in net assets without donor restrictions unless the use of the income is restricted by donor-imposed stipulations. Investment income from donor-restricted endowments and other restricted investments is reported as an increase in net assets with donor restrictions if such stipulations have not been met in the reporting period. This policy is consistent with the guidance in FASB ASC 958-225-45 regarding revenue recognition for not-for-profit entities and FASB ASC 320-10 and ASC 958-320 on accounting for investments and related income.

Grant Revenue: The Organization recognizes grant revenue in accordance with Accounting Standards Codification (ASC) 958-605, Not-for-Profit Entities – Revenue Recognition, and ASC 606, Revenue from Contracts with Customers, as applicable. Grant revenue is evaluated to determine whether it represents a contribution or an exchange transaction. Contributions, including government and private grants, are accounted for under ASC 958-605, while exchange transactions are accounted for under ASC 606.

Grants that are determined to be conditional contributions are recognized as revenue only when the conditions on which they depend are substantially met. Until such conditions are met, conditional grants are recorded as deferred revenue or refundable advances. Unconditional grants that contain donor restrictions are recognized as net assets with donor restrictions and reclassified to net assets without donor restrictions when the restrictions are satisfied, typically as qualifying expenses are incurred.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Donated Services

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the years ended May 31, 2025 and 2024, respectively.

Accounts Receivable and Allowance for Credit Losses

Accounts receivables are stated at the amount the Organization expects to collect from outstanding balances. On January 1, 2023, the Organization adopted FASB Accounting Standards Update 2016-13 Financial Instruments – Credit Losses, which required revisions to the existing methodology for expected losses that is referred to as the current expected credit loss methodology. There was no adjustment necessary as a result of the adoption of the new standard. The Organization maintains allowances for credit losses for estimated losses resulting from the inability of the organizations and individuals to make the required payments. Management considers the following factors when determining the collectability of specific accounts: organizations and individuals' creditworthiness, past transaction history with the organizations and individuals, current economic industry trends, and changes in organizations and individuals' payment terms. Past due balances over 90 days and other higher risk amounts are reviewed individually for collectability. Based on management's assessment, the Organization provides for probable uncollectible amounts through a charge to operations and a credit to an allowance. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. Accounts receivable totaled \$23,214 and \$33,124 as of May 31, 2025 and 2024, respectively.

The Organization evaluates its receivables for collectability and determines an allowance for credit losses based on historical experience, aging, and specific review of accounts. As of May 31, 2025 and 2024, management determined that no allowance for credit losses was necessary, as all receivables are expected to be fully collectible. However, a write off of receivables was reported during the year ended May 31, 2025 totaling \$28,854.

Accounts receivable was as follows:

	<u>2025</u>	<u>2024</u>
Accounts receivable, beginning of year	\$ 33,124	\$ 22,297
Revenue recognized that was included in accounts receivable at the beginning of year	(33,124)	(22,297)
Increase in accounts receivable due to cash received during the period	23,214	33,124
Accounts receivable, ending of year	<u>\$ 23,214</u>	<u>\$ 33,124</u>

Advertising Costs

The Organization expenses advertising costs as they are incurred which totaled \$21,231 and \$13,538 for the years ended May 31, 2025 and 2024, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Employee Retention Credit Income

In the fiscal year ended May 31, 2024, the Organization recognized \$897,492 as other income from the Employee Retention Credit (ERC), a government relief measure for employers retaining employees during the COVID-19 pandemic, per the CARES Act and subsequent amendments. This credit reflects compensation for eligible wages and health insurance costs. Income recognition complies with U.S. GAAP, on the basis that the Organization has met all conditions for receiving the credit. The ERC significantly contributed to the Organization's net income, supporting financial stability during reduced operational activities due to the pandemic.

Property, Equipment, and Depreciation

The Organization follows the practice of capitalizing all expenditures for property, furniture, fixtures, equipment, and leasehold improvements in excess of \$2,500. In accordance with GAAP, land is not depreciated, and Construction-in-Progress is depreciated when it is completed and placed into service. Maintenance, repairs, and minor renewal are expensed when incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income. We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

Property and equipment – net consist of the following:

	May 31,	
	2025	2024
Furniture & equipment	\$ 465,737	\$ 315,255
Leasehold improvements	164,093	160,103
Construction in progress	423,995	-
Less: Accumulated depreciation	(464,913)	(389,036)
Total Property & Equipment	<u>\$ 588,913</u>	<u>\$ 86,322</u>

Depreciation expense totaled \$75,877 and \$68,289 for the years ended May 31, 2025 and 2024, respectively.

Income Taxes

The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Uncertain Tax Positions

The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based upon technical merits, that the position will be sustained upon examinations. Interest and penalties, if any, are included in expenses in the statements of activities. As of May 31, 2025 and 2024, respectively, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Concentration of Support Risk

The Organization is primarily dependent upon tuition from its enrollment to meet expenses of operation and for the payment of principal and interest on debt, if any. Although management of the Organization expects tuition to be adequate, there can be no assurance that such tuition will be sufficient to meet the obligations. Also, there is no assurance that Organization enrollment will increase or remain stable, or that per capita contribution by students will increase or remain stable. Support of the Organization comes primarily from tuition concentrated in Sugarland, Texas and surrounding geographical area.

Fair Value of Financial Instruments

The Organization reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Subsequent Event – Lease Renewal

Subsequent to year-end, the Organization renewed its lease agreement for one of its operating facility. The new lease term is for 18 months commencing on December 15, 2025 and provides for monthly rental payments of \$37,000. The lease renewal did not exist at the balance sheet date and does not impact conditions that existed as of that date. Accordingly, the effects of this lease renewal have not been reflected in the accompanying financial statements.

The Organization has evaluated subsequent events through December 23, 2025 the date the financial statements were available to be issued.

NOTE 3 – LIQUIDITY AND AVAILABILITY:

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing programs as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows, which identifies the sources and uses of the Organization's cash and shows cash generated by operations for fiscal years ending May 31, 2025 and 2024.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	May 31,	
	2025	2024
Cash and cash equivalents	\$ 7,749,303	\$ 6,607,088
Accounts receivable	23,214	33,124
Prepaid expenses	106,665	152,801
Total financial assets	<u>7,879,182</u>	<u>6,793,013</u>

NOTE 3 – LIQUIDITY AND AVAILABILITY: (continued)

Contractual or donor-imposed restrictions:		
Capital Campaign	(553,820)	(242,804)
Fundraising	(76,162)	(80,551)
Total contractual or donor-imposed restrictions:	(629,982)	(323,356)
Board designations:		
School activities	(52,286)	-
Total board designations	(52,286)	-
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 7,196,914</u>	<u>\$ 6,469,657</u>

Restricted financial assets totaled \$642,603 and \$323,356 for the years ending May 31, 2025 and 2024, respectively.

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are restricted for the following purposes for the years ended May 31, 2025 and 2024:

2025				
Subject to expenditure for specific purpose:	Contributions and			
	Beginning Balance	Other Income	Releases	Ending Balance
Capital Campaign	242,804	735,011	-	977,815
Donations	-	15,751	7,831	7,920
Fundraising	80,551	25,546	29,935	76,162
Total	<u>323,356</u>	<u>776,309</u>	<u>37,767</u>	<u>1,061,898</u>
2024				
Subject to expenditure for specific purpose:	Contributions and			
	Beginning Balance	Other Income	Releases	Ending Balance
Capital Campaign	-	376,734	133,930	242,804
Donations	-	28,886	28,886	-
Fundraising	64,381	124,417	108,247	80,551
Total	<u>64,381</u>	<u>530,038</u>	<u>271,064</u>	<u>323,356</u>

Per Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit Entities, net assets associated with building related activities will be released upon completion of the subject building project.

NOTE 5 – HEALTH CARE BENEFITS:

The Organization provides healthcare insurance coverage for eligible employees through participation in a group health insurance plan. The Organization pays a portion of the monthly premiums, with employees responsible for the remainder through payroll deductions.

For the years ended May 31, 2025 and 2024, the Organization incurred \$113,233 and \$118,614, respectively, in healthcare insurance premium expenses, which are included in salaries and related benefits in the accompanying financial statements. The Organization does not sponsor any post-employment healthcare benefit plans, and its obligations are limited to the payment of insurance premiums for active employees as described above.

NOTE 6 – LEASES – ASC 842 – RIGHT-OF-USE:

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12-months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

The Organization leases school space under a long-term noncancelable operating lease that expires on May 1, 2027, or at various dates through 2024 and provides renewal options ranging from one year to five years. TOur operating lease provides for increases in future minimum annual rental payments, if applicable.

Cash paid for amounts in the measurement of lease liabilities:

Operating cash flows from operating leases:	\$ 355,190

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. The lease agreement requires monthly payments ranging from \$8,678 to \$10,533 per month until expiration. The discount rate on this lease was 3.693%.

The future minimum lease payments under noncancelable operating lease(s) with terms greater than one year are listed below as of May 31, 2025:

<u>Year Ending May 31,</u>	
2026	\$ 120,660
2027	126,393
Thereafter	-
Total lease payments	<u>247,053</u>
Less interest	(35,684)
Present value of lease liabilities	<u><u>\$ 211,369</u></u>

NOTE 7 – FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation methods include specific identification, employee time and effort, and usage-based metrics, as appropriate to the nature of the expense.

Expenses are categorized as follows:

- Program Services: Activities that result in goods and services being distributed to beneficiaries, customers, or members that fulfill the purposes or mission of the Organization.
- Management and General: Expenses that are not directly identifiable with any specific program or fundraising activity but are indispensable to the conduct of those activities and to the Organization's existence.
- Fundraising: Costs incurred to induce potential donors to contribute to the Organization.

Expenses that are allocated between two or more categories include occupancy expenses such as rent, utilities, mortgage interest, depreciation, and amortization, which are allocated on a square footage basis. Other expenses such as salaries & wages, benefits, payroll taxes, and other expenses are allocated on the basis of estimates of time and effort.



December 23, 2025

To the Board of Directors for
Logos Preparatory Academy
Sugar Land, Texas

MANAGEMENT COMMUNICATION OF FINDINGS AND MANAGEMENT LETTER

In planning and performing my audit of the financial statements of Logos Preparatory Academy as of and for the year ended May 31, 2025, in accordance with auditing standards generally accepted in the United States of America, I considered Logos Preparatory Academy's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control. Accordingly, I do not express an opinion on the effectiveness of the Ministry's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, I identified certain deficiencies in internal control that I consider to be material weaknesses and other deficiencies that I consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

Professional standards define a material weakness, and a significant deficiency as follows:

A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's annual or interim financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of financial reporting and those charged with governance.

My comments concerning internal control and other significant matters are presented as follows:

- Current Matters
 - Material Weakness – 1
 - Significant Deficiency – 5
 - Other Matters – 0

- Financial Trustee Team Matters

This communication is intended solely for the information and use of management and those charged with governance, and others within the Ministry, and is not intended to be, and should not be, used by anyone other than these specified parties.

I am pleased to further discuss these matters with you and want to express my sincere appreciation to Deborah Maganza for the cooperation and assistance received during the audit engagement. It has been a blessing to serve your ministry!

For His Reward,

A handwritten signature in blue ink, reading "David Dennison". The signature is written in a cursive style with a large initial "D".

David Dennison, CPA, MBA, MSA
Principal

CURRENT YEAR MATTERS

Inadequate Maintenance and Accuracy of Fixed Asset Records – Material Weakness

Condition: We noted that while the Organization maintains a fixed asset schedule for use in preparing its annual IRS Form 990, the schedule is not periodically reconciled or verified for accuracy. Our audit procedures identified discrepancies in the fixed asset balances due to the absence of periodic physical checks or verification of equipment, furniture, and other capital assets.

In addition, we observed that fully depreciated assets and their associated accumulated depreciation are removed from the fixed asset schedule. This practice results in an incomplete fixed asset listing and prevents the schedule from reflecting the full historical cost and lifecycle of the Organization's capital assets. As a result, we were unable to verify the accuracy and completeness of fixed asset balances reported in the financial statements.

Criteria: Under Generally Accepted Accounting Principles (GAAP), entities are required to maintain accurate and complete records of capital assets, including original cost, accumulated depreciation, and current status (active or retired). Effective internal control over fixed assets includes periodic physical inventories, updates for additions and retirements, and retention of historical asset records even after full depreciation. This ensures accurate financial reporting and asset stewardship, as emphasized in the COSO Internal Control Framework.

Cause: The Organization does not currently perform routine reconciliations or physical inventories of fixed assets and has adopted a practice of removing fully depreciated assets from its fixed asset schedule, rather than maintaining a complete asset history.

Effect: The Organization's financial records may materially misstate the value of fixed assets and accumulated depreciation. The absence of complete and verifiable asset records also limits accountability and may expose the Organization to increased risk of asset loss or misappropriation.

Recommendation: We recommend the Organization:

- Retain all capital assets on the fixed asset schedule, including fully depreciated items, to ensure complete historical tracking.
- Perform periodic physical inventories of capital assets and reconcile results to the accounting records.
- Establish a policy requiring timely updates to the fixed asset schedule for additions, disposals, and retirements.
- Consider involving an independent party (e.g., board member, external advisor) in reviewing asset schedules annually for completeness and accuracy.

Inadequate Tracking and Reporting of Donor-Restricted Activities – Significant Deficiency

Condition: During the course of our audit procedures, we identified that the Organization does not maintain a formal or consistent methodology for identifying, tracking, and reporting donor-restricted activities and

related net assets. Through discussions with management, we learned that donor-restricted funds have been comingled with board-designated and unrestricted funds, making it difficult to distinguish donor-imposed restrictions from internal designations.

Although management was able to provide estimates of restricted activities for the purpose of financial statement reporting, the absence of a clear fund-tracking system increases the risk of misstating donor-restricted net asset balances. While our audit procedures did not identify material misstatements, we note that the reported ending balances for net assets with donor restrictions may be misstated. The Organization's cash and cash equivalent balances significantly exceed the reported restricted balances, which mitigated the impact and prevented this condition from rising to the level of a material weakness.

Criteria: Under FASB ASC 958-205 (Presentation of Financial Statements for Not-for-Profit Entities), not-for-profit organizations are required to report net assets in two classes: net assets with donor restrictions and net assets without donor restrictions. Proper classification requires that the organization maintains adequate systems to distinguish and account for resources based on donor-imposed restrictions. Commingling donor-restricted and board-designated funds undermines the accuracy of net asset classification and financial reporting.

Cause: The Organization has not implemented a formalized fund accounting or tracking system to segregate donor-restricted contributions from other funds, relying instead on manual estimates and internal knowledge at year-end to prepare financial statements.

Effect: This practice increases the risk of misstating donor-restricted net assets, misapplying restricted funds, and violating donor intent. It also limits the Organization's ability to provide transparent reporting to stakeholders and donors.

Recommendation: We recommend the Organization:

- Implement a formal fund accounting system or process to track donor-restricted funds separately from board-designated and unrestricted funds.
- Ensure all donor-restricted contributions are properly identified upon receipt and monitored through fulfillment.
- Periodically reconcile restricted activity and balances to supporting documentation and fund sources.
- Train staff on the distinction between donor-imposed restrictions and board designations to ensure proper classification.

Lack of Reconciliation Between Donor and Tuition Systems and the Accounting Records – Significant Deficiency

Condition: Through inquiries with management and our review of internal processes, we identified that the Organization maintains donor contribution records and tuition billing records in the FACTS system. However, these subsidiary records are not reconciled to the accounting system on a regular basis. There is no formal process in place to routinely compare amounts recorded in the donor management spreadsheet or the FACTS system against deposits recorded in the general ledger.

Criteria: Effective internal controls require that subsidiary records (such as donor tracking and tuition billing systems) be periodically reconciled to the accounting records to ensure completeness and accuracy of financial reporting. Under the COSO Internal Control Framework, such reconciliations are a critical monitoring activity to detect and prevent misstatements and misappropriation of funds.

Cause: The Organization has not established a routine reconciliation process between the donor and tuition systems and the accounting system. This appears to be due to limited staffing and lack of formal procedures to ensure consistency between systems.

Effect: The absence of regular reconciliations presents a significant risk of financial reporting errors and potential misappropriation of funds. Without independent review or verification, discrepancies between expected and actual receipts may go undetected, potentially compromising both the accuracy of revenue recognition and donor/tuition reporting.

Recommendation: We recommend the Organization:

- Establish and implement formal monthly reconciliation procedures between the donor management records, the FACTS tuition system, and the general ledger.
- Assign a staff member independent of the cash receipts and revenue posting functions to review and approve reconciliations.
- Investigate and resolve any discrepancies identified during reconciliation to ensure accurate financial reporting and stewardship of funds.

Inadequate Segregation of Duties – Accounting Director – Significant Deficiency

Condition: During our audit, we observed that the Accounting Director is responsible for preparing and reconciling the Organization's bank accounts without independent review or approval. Additionally, management does not routinely review detailed financial statements or monthly bank statements. The Accounting Director also occasionally receives revenue and cash receipts in the office, although these transactions occur infrequently.

Criteria: An effective internal control environment includes appropriate segregation of duties to reduce the risk of errors and fraud. Segregation of duties is a fundamental internal control principle under the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control–Integrated Framework, which requires that no individual should be in a position to both perpetrate and conceal errors or irregularities in the normal course of their duties.

Cause: The Organization's limited staffing and resources have resulted in a concentration of accounting responsibilities within a single individual without sufficient oversight or mitigating controls.

Effect: The lack of segregation of duties and absence of independent oversight increases the risk of undetected errors, misstatements, or misappropriation of assets. It also reduces transparency and weakens the reliability of financial reporting.

Recommendation: We recommend that the Organization implement compensating controls to mitigate the risk posed by this concentration of duties. This may include:

- Assigning an independent board member, executive, or external party to review and approve monthly bank reconciliations and bank statements.
- Establishing a formal process for periodic review of detailed financial statements by management or the board.
- Segregating duties over cash receipts to the extent possible, including documenting and reviewing the infrequent receipt of cash or revenue by someone other than the Accounting Director.

Lack of Independent Review Over Financial Records and Bank Reconciliations – Significant Deficiency

Condition: We observed that the Accounting Manager is responsible for maintaining the financial statements and performing the monthly bank reconciliations for the Organization. However, bank statements, completed reconciliations, and general ledger activity are not independently reviewed by another member of management or those charged with governance. Although the Accounting Manager is not an authorized check signer, the lack of oversight over these key financial processes presents a significant fraud risk.

Criteria: Effective internal control under the COSO Internal Control Framework requires that financial reporting and reconciliation activities be subject to review by individuals who are independent of the preparation process. Independent review is critical to detect errors, prevent fraud, and enhance accountability in the financial reporting process.

Cause: The Organization has not implemented a control whereby an individual outside the accounting function, such as a senior manager or member of the board, reviews and approves reconciliations and financial reports. This is likely due to limited staffing and the concentration of accounting duties within a small team.

Effect: The lack of independent oversight over reconciliations and financial records increases the risk of undetected misstatements, errors, or fraudulent activity. It also weakens the reliability of the Organization's internal control environment.

Recommendation: We recommend the Organization:

- Establish a process for periodic review of bank reconciliations, bank statements, and general ledger reports by a member of management or a board designee who is independent of the accounting function.
- Require documentation of such reviews (e.g., initialing and dating) to demonstrate oversight.
- Incorporate this review process into monthly or quarterly financial reporting presented to the finance committee or board.

Lack of Internal Audit Function and Formal Risk Assessment Process – Significant Deficiency

Condition: During our audit of the financial statements of Logos Preparatory Academy (the "Organization") for the year ended May 31, 2025, we observed that the Organization does not maintain a formal internal audit

function. Additionally, management and those charged with governance have not performed a structured or documented enterprise-wide risk assessment.

Criteria: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control—Integrated Framework, which is recognized as the leading framework for designing, implementing, and evaluating internal control systems, outlines key components of an effective control environment. These include the presence of risk assessment activities (Principles 6–9) and monitoring activities, which may include internal audit (Principles 16–17).

Specifically, COSO Principle 7 states: “The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.” Principle 16 encourages ongoing and/or separate evaluations, such as those provided by an internal audit function, to assess the effectiveness of internal controls.

Cause: We believe that this finding is caused because the Organization has historically operated with a lean administrative structure and has relied primarily on external audits and management oversight rather than establishing a dedicated internal audit function or performing formal risk assessments.

Effect: The absence of an internal audit function and formal risk assessment process may result in unidentified risks to financial reporting, operations, and compliance. This increases the potential for errors or irregularities to go undetected and limits the Organization’s ability to proactively manage and respond to emerging risks.

Recommendation: We recommend that the Organization consider establishing an internal audit function or alternative risk monitoring mechanism (e.g., periodic external reviews or audit committee oversight). Furthermore, we recommend that management and those charged with governance implement a formal and documented risk assessment process in alignment with the COSO framework. This process should identify and evaluate key risks and establish mitigation strategies to support the Organization’s operational, financial, and compliance objectives.

FINANCIAL TRUSTEE TEAM MATTERS

The following information about my audit, as required by professional standards, is considered to be significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process.

Auditors’ Responsibility under Generally Accepted Auditing Standards

As an independent auditor of financial statements, I am responsible for:

- Performing the audit in accordance with generally accepted auditing standards.
- Designing the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement.
- Forming and expressing an opinion about whether the financial statements, that have been prepared by management with the oversight of those charged with governance, are presented fairly, in all

material respects, in conformity with accounting principles generally accepted in the United States of America.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstance but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.

My audit of the financial statements does not relieve management or those charged with governance of their responsibilities. Because of the concept of reasonable assurance and because I did not perform a detailed examination of all transactions, there is the risk that material errors, fraud, or other illegal acts may exist and not be detected by me.

Independence

Under professional standards, including Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct and its interpretations and ruling, I am required to communicate all relationships between Dennison CPA, PC and the board that, in my professional judgment, may reasonably be thought to bear on my independence.

I am not aware of any relationship or services that would jeopardize this condition. I affirm my objectivity and independence in performing my audit services in conformity with professional standards.

Qualitative Aspects of Accounting Practices

Accounting policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Logos Preparatory Academy are described in Note 2 to the financial statements.

Changes in accounting policies – No accounting policies were adopted, and the application of existing policies were not changed during the year.

Significant and unusual transactions – I noted no transactions entered into by the Ministry during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Corrected & Uncorrected misstatements – Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. There were no uncorrected misstatements identified during the audit.

Accounting estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their

significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Issues concerning significant estimates made by management include:

- Management's identification of significant accounting estimates
- Management's process for making significance accounting estimates
- Risks of material misstatement
- Indicators of possible management bias
- Disclosure of estimation uncertainty in the financial statements.

The most significant estimates include:

- Depreciation of property and equipment
- Allocation of expenses on a functional basis

I reviewed the process and basis for management's judgments and estimates impacting key accounting and financial reporting areas and concluded that they are reasonable in relation to the financial statements taken as a whole.

Financial statements disclosures and related matters – The financial statement disclosures are neutral, consistent, and clear.

Management Representations – I have requested certain representations from management that are included in the management representation letter dated December 23, 2025.

Disagreements with Management – For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, which could be significant to the financial statements or the auditor's report.

I am pleased to report that no such disagreements arose during the course of my audit.

Management Consultations with Other Independent Accountants - In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Ministry's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.

To my knowledge, there were no such consultations with other accountants.

Significant Issues Discussed with Management - I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Ministry's auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Other Matters - With respect to the supplementary information accompanying the financial statements, I made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to my audit of the financial statements. I compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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APPENDIX C
FORM OF BOND COUNSEL OPINION

[Closing Date]

Arlington Higher Education Finance Corporation
Arlington, Texas

Re: \$[_____] Arlington Higher Education Finance Corporation Education
Revenue Bonds (Logos Preparatory Academy), Series 2026

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Arlington Higher Education Finance Corporation (the “**Issuer**”) of its Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “**Bonds**”), in the aggregate principal amount of \$[_____] issued under and pursuant to a Trust Indenture and Security Agreement dated as of March 1, 2026 (the “**Bond Indenture**”), between the Issuer and UMB Bank, National Association, as trustee (the “**Bond Trustee**”). Unless otherwise defined, the capitalized terms used herein shall have the meaning set forth in the Bond Indenture.

The Issuer loaned the proceeds of the Bonds to Logos Preparatory Academy (the “**Borrower**”), a Texas nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), pursuant to a Loan Agreement dated as of March 1, 2026 (the “**Loan Agreement**”), between the Issuer and the Borrower. The Borrower’s obligations under the Loan Agreement are secured by the Series 2026 Note, issued by the Borrower pursuant to a Master Trust Indenture and Security Agreement dated as of March 1, 2026 (the “**Master Trust Indenture**”), as supplemented by Supplemental Master Trust Indenture No. 1 dated as of March 1, 2026 (the “**Supplemental Indenture**” and, together with the Master Trust Indenture, as supplemented thereby, the “**Master Indenture**”), each between the Borrower and UMB Bank, National Association, as master trustee (the “**Master Trustee**”). The Series 2026 Note has been executed and delivered to the Issuer and assigned by the Issuer to the Bond Trustee in an aggregate principal amount equal to the aggregate principal amount of the Bonds. Under the Loan Agreement and by the Series 2026 Note, the Borrower has agreed to make payments sufficient to pay when due the principal of, premium, if any, and interest on the Bonds in the manner provided in the Bond Indenture, and such payments and the rights of the Issuer under the Loan Agreement (except for the right to enforce certain limited provisions of the Loan Agreement) and the Series 2026 Note were pledged and assigned by the Issuer to the Bond Trustee as security for the Bonds.

The owner of the Bonds shall never have the right to demand payment thereof out of money raised or to be raised by taxation, and the Bonds are payable from and secured solely by a pledge of and lien upon the Trust Estate, including loan payments made by the Borrower pursuant to the

Loan Agreement and the Series 2026 Note. Pursuant to the Loan Agreement, the Borrower agrees to make loan payments sufficient to pay, among other obligations, the principal of and interest on the Bonds, when due, and to make any required deposits into certain funds and accounts established by the Bond Indenture.

As to questions of fact material to our opinion, we have relied upon (i) representations and covenants made on behalf of the Issuer and the Borrower in the Bond Indenture, the Loan Agreement, the Master Indenture, the Series 2026 Note, the Federal Tax Certificate, dated the date hereof executed by the Issuer (the “**Issuer’s Tax Certificate**”), and the Tax Certificate, dated the date hereof executed by the Borrower (the “**Borrower’s Tax Certificate**” and, together with the Issuer’s Tax Certificate, the “**Tax Certificates**”), (ii) certified proceedings and other certifications of public officials furnished to us, and (iii) certifications furnished to us by or on behalf of the Borrower (including certifications as to the use of the proceeds of the Bonds and the operation and use of the property financed or refinanced thereby made in the Borrower’s Tax Certificate, which are material to certain of our opinions expressed below), without undertaking to verify the same by independent investigation. Specifically, we advise you that we are not experts in determining the reasonably expected economic lives of assets, asset valuation, financial analysis, financial projections or similar disciplines and we have conducted no independent investigation concerning such analysis.

For purposes of this opinion, we have examined the resolution of the Issuer authorizing the issuance of the Bonds, executed counterparts of the Bond Indenture and the Loan Agreement and the executed Bonds and the Series 2026 Note, and such certified proceedings and other papers as we have considered necessary and appropriate to render this opinion. Reference is made to our opinion of even date herewith, as special counsel to the Borrower (the “**501(c)(3) Opinion**”), as to among other matters, the 501(c)(3) status of the Borrower, the due authorization, execution and delivery of the Master Indenture, the Series 2026 Note, and related documents by the Borrower and the validity and enforceability of such documents against the Borrower. We note that the 501(c)(3) Opinion is subject to a number of qualifications and limitations. Failure of the Borrower to be organized and operated in accordance with the Internal Revenue Service’s requirements for the maintenance of its status as an organization described in Section 501(c)(3) of the Code may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly retroactively from the date of issuance of the Bonds.

We express no opinion herein as to the accuracy, completeness or sufficiency of any offering material relating to the Bonds. We have not passed upon any matters relating to the business, affairs or condition (financial or otherwise) of the Borrower and no inference should be drawn that we have expressed any opinion on matters relating to the ability of the Issuer, the Borrower, the Bond Trustee or the Master Trustee to perform their respective obligations under the contracts described herein.

The description of the Bonds in this opinion and other statements concerning the terms and conditions of the issuance of the Bonds do not purport to set forth all of the terms and conditions of the Bonds nor of any other document relating to the issuance of the Bonds but are intended only to identify the Bonds and to describe briefly certain features thereof. This opinion shall not be deemed or treated as an offering memorandum, prospectus or official statement, and is not intended in any way to be a disclosure document used in connection with the sale or delivery of

the Bonds. The opinions set forth below are expressly limited to, and we opine only with respect to, the internal substantive laws of the State of Texas and federal income tax laws.

Based upon the foregoing and subject to the qualifications hereinafter set forth, we are of the opinion on the date hereof that, under existing law:

1. The Bond Indenture and the Loan Agreement were duly authorized, executed and delivered by the Issuer and, assuming the due authorization, execution and delivery of such instruments by the other parties thereto, are valid and binding obligations of the Issuer enforceable in accordance with their terms.

2. The Bonds were duly authorized, executed and delivered by the Issuer and, assuming the due authentication thereof, are legal, valid and binding limited and special obligations of the Issuer enforceable in accordance with their terms and the terms of the Bond Indenture, and are entitled to the benefit and security of the Trust Estate created by the Bond Indenture and are payable solely from such Trust Estate in the manner and pursuant to the terms set forth in the Bond Indenture and the Loan Agreement. In no event shall the Bonds constitute an indebtedness of the Issuer, the City of Arlington, Texas, nor of any political corporation, subdivision or agency of the State of Texas.

3. The interest payable on the Bonds (i) is excludable from gross income of the owners thereof for federal income tax purposes as of the date hereof, and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for purposes of computing the alternative minimum tax imposed on such corporations. The Bonds are “private activity bonds” under Section 141(a) of the Code, “qualified 501(c)(3) bonds” under Section 145(a) of the Code and “qualified bonds” under Section 141(e) of the Code. The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the Borrower have made certain representations and have covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income of the owners thereof. The opinion set forth in this paragraph assumes the accuracy of these representations and compliance with these covenants. We have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) or any matters coming to our attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. We express no opinion regarding other federal income tax consequences arising with respect to the Bonds.

Our opinions expressed herein are predicated upon present laws and interpretations thereof. We assume no affirmative obligation with respect to any change of circumstances or law that may adversely affect after the date hereof the exclusion from gross income for federal income tax purposes of interest on the Bonds. Our opinions represent our legal judgment based on our review of the law and the facts that we deem relevant to render such opinions, and are not a guarantee of result.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds, the Bond Indenture, the Loan Agreement, the Master Indenture and the Series 2026 Note may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

BUTLER SNOW LLP

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”), dated as of March 1, 2026, is executed and delivered by and between Logos Preparatory Academy, a Texas nonprofit corporation (the “Borrower”) and UMB Bank, National Association, dissemination agent (the “Dissemination Agent”) in connection with the issuance by Arlington Higher Education Finance Corporation (the “Issuer”) of its Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “Indenture”) by and between the Issuer and UMB Bank, National Association (the “Trustee”). The proceeds of the Bonds are being loaned by the Issuer to the Borrower pursuant to a Loan Agreement dated as of March 1, 2026 (the “Loan Agreement”). Pursuant to the Loan Agreement, the Borrower has covenanted and agreed to provide the continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events.

Section 1. Purpose of Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Borrower for the benefit of the Registered Owners of the Bonds (for such purpose beneficial owners of the Bonds shall also be considered Registered Owners of the Bonds) and to assist Stifel, Nicolaus & Company, Incorporated (the “Participating Underwriter”), in complying with the Rule.

Section 2. Defined Terms. In addition to the definitions set forth in the Bond Indenture and the Loan Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Bond Indenture” means the Trust Indenture and Security Agreement, dated as of March 1, 2026, between the Issuer and the Bond Trustee.

“Bond Trustee” means UMB Bank, National Association, its successors and assigns.

“Bonds” means the Issuer’s Education Revenue Bonds (Logos Preparatory Academy) Series 2026.

“Borrower” means Logos Preparatory Academy, a Texas nonprofit corporation.

“Disclosure Representative” shall mean the Head of School of the Borrower or such other officer, agent or employee as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” means UMB Bank, National Association, as dissemination agent under this Disclosure Agreement, its successors and assigns.

“EMMA” means the Electronic Municipal Market Access system operated by the MSRB and the primary portal for complying with the continuing disclosure requirements of the Rule.

“Events Notices” means the notices required to be given by the Borrower pursuant to Section 5 of this Disclosure Agreement.

“Financial Obligation” means: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the Repository consistent with the Rule.

“Issuer” means Arlington Higher Education Finance Corporation, its successors and assigns.

“Fiscal Year” means the twelve-month accounting period used with respect to the operations of the Borrower ending May 31 of each year; provided, however, the Borrower, by resolution duly passed, may change such accounting period to end on another date if such change is found and determined to be necessary or appropriate for budgetary or other fiscal purposes.

“Listed Event” means any of the events listed in subsection (a) and subsection (b) of Section 5 hereof.

“Limited Offering Memorandum” means the Limited Offering Memorandum dated February [], 2026, relating to the Bonds.

“Master Trust Indenture” means the Master Trust Indenture and Security Agreement, dated as of March 1, 2026, by and between the Borrower and UMB Bank, National Association, as master trustee thereunder (the “Master Trustee”), as amended or supplemented from time to time, including by the Supplemental Master Indenture No. 1, dated as of March 1, 2026, by and between the Borrower and the Master Trustee.

“MSRB” means the Municipal Securities Rulemaking Board, located at 1300 I Street NW, Suite 1000, Washington, DC 20005, its successors and assigns.

“Operations Report” means the financial information and operating data required to be transferred by the Borrower to the Dissemination Agent pursuant to the Section 3(a)(3) of this Disclosure Agreement.

“Participating Underwriter” means Stifel, Nicolaus & Company, Incorporated, as original purchaser of the Bonds, its successors and assigns.

“Quarterly Report” means the financial information and operating data required to be transferred by the Borrower to the Dissemination Agent pursuant to the Section 3(a)(2) of this Disclosure Agreement.

“Repository” means EMMA.

“Rule” means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as amended or supplemented by the SEC from time to time.

“SEC” means the Securities and Exchange Commission, its successors and assigns.

Section 3. Provision of Annual Reports.

(a) The Borrower shall provide, or shall cause the Dissemination Agent to provide, to the MSRB, not later than 180 days after the end of the Borrower’s Fiscal Year, commencing with the Fiscal Year ending May 31, 2026, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Borrower (and any information determined from the audited financial statement) may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Borrower’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(d).

The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify Bonds by name and CUSIP number, if available.

(b) The Borrower shall be responsible for the preparation of the Annual Report. Not later than five (5) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Borrower shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Borrower to determine if the Borrower is or expects to be in compliance with the first sentence of subsection (a) above.

(c) The Dissemination Agent shall transmit the Annual Report to the MSRB in electronic format accompanied by identifying information as prescribed by the MSRB.

Section 4. Content of Annual Reports.

(a) The Annual Report shall be in a format suitable for filing with the MSRB and shall contain or include by reference the following:

(i) The audited financial statements of the Borrower for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to nonprofit corporations from time to time, if available.

(ii) An Executed Certificate for Annual Filing of Certain Financial and Operating Covenants completed substantially in the form attached hereto as Exhibit A.

(b) Any or all of the items listed above may be included by specific reference to other documents, including any official statement or prospectus of debt issues for the benefit of the Borrower or related public entities, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Borrower shall clearly identify each such other document so included by reference. The Borrower is solely responsible for the content and format of the Annual Report, and the Dissemination Agent shall have no liability or responsibility for content, format, accuracy or completeness of such Annual Report.

(c) Any or all of the Disclosure Reports may be incorporated by reference from other documents, including official statements, which have been submitted to the Repository. If the Disclosure Report information is changed or this Disclosure Agreement is amended in accordance with its terms, then the Borrower is to include in the next Disclosure Report to be delivered thereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

Section 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to Bonds, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Bond holders;

(iii) Bond calls;

(iv) unless described in Section 5(b)(vii) below, other material notices or determinations with respect to the tax exempt status of Bonds or other events affecting the tax exempt status of the Bonds;

- (v) release, substitution or sale of property securing repayment of Bonds;
 - (vi) the consummation of a merger, consolidation or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower (other than in the ordinary course of business) or the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions other than in accordance with its terms;
 - (vii) appointment of a successor or additional trustee or change in name of a trustee; or
 - (viii) incurrence of a Financial Obligation of the Borrower, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Borrower, any of which affect security holders.
- (b) Pursuant to the provisions of this Section 5, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to Bonds:
- (i) principal and interest payment delinquencies;
 - (ii) defeasances;
 - (iii) rating changes;
 - (iv) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (v) unscheduled draws on any credit enhancements reflecting financial difficulties;
 - (vi) substitution of credit or liquidity providers, or their failure to perform;
 - (vii) adverse tax opinions affecting the tax exempt status of Bonds, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB);
 - (viii) tender offers;
 - (ix) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Borrower, any of which reflect financial difficulties; and
 - (ix) bankruptcy, insolvency, receivership or a similar proceeding by the Borrower.

For purposes of the event identified in clause (ix) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower.

(c) Upon the occurrence of a Listed Event specified in Section 5(a), the Borrower shall as soon as possible determine if such event would be material. The Dissemination Agent shall have no responsibility for such determination.

(d) If the Borrower has determined that the occurrence of a Listed Event specified in Section 5(a) would be material, or upon the occurrence of a Listed Event specified in Section 5(b), the Borrower shall notify the Dissemination Agent in writing within three business days of the occurrence of such event in a format suitable for filing with the MSRB, with instructions to the Dissemination Agent to file a notice of the occurrence of such Listed Event pursuant to subsection (e).

(e) If the Dissemination Agent has been instructed in writing by the Borrower to report the occurrence of a Listed Event and has received a notice of the occurrence in a format suitable for filing with the MSRB, the Dissemination Agent shall file such notice with the MSRB with a copy to the Participating Underwriter in a timely manner not in excess of ten business days after the occurrence of the event.

Section 6. Provision of Quarterly Reports.

(a) The Borrower agrees to provide, or shall cause the Dissemination Agent to provide, to the MSRB, not later than 60 days after the end of each of the Borrower's fiscal quarters, commencing with the fiscal quarter ending May 31, 2026, a Quarterly Report which is consistent with the requirements of Section 7 of this Disclosure Agreement. The Quarterly Report may be submitted as a single document or as separate documents constituting a package, and may include by reference other information as provided in Section 7 of this Disclosure Agreement.

(b) The Borrower shall be responsible for the preparation of the Quarterly Report. Not later than five (5) business days prior to the date specified in subsection (a) for providing the Quarterly Report to the MSRB, the Borrower agrees to provide the Quarterly Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Quarterly Report, the Dissemination Agent shall contact the Borrower to determine if the Borrower is or expects to be in compliance with the first sentence of subsection (a) above.

(c) The Dissemination Agent shall transmit the Quarterly Report to the MSRB in electronic format accompanied by identifying information as prescribed by the MSRB.

Section 7. Content of Quarterly Reports.

(a) The Borrower's Quarterly Report shall be in a format suitable for filing with the MSRB and shall contain or include by reference the following:

(i) A construction progress report with respect to the construction of the Project, until the facilities to be constructed are substantially complete, including the following:

(A) The estimated completion date of the Project;

(B) If the completion date has been delayed, the reason for such delay;

(C) The % of completion of the Project;

(D) The % of the proceeds of the Bonds allocable to the construction of the Project that has been expended to date;

(E) A description of any material change orders over \$100,000; and

(F) A photograph showing the current status of construction of the Project;

(ii) The unaudited financial statements and operating data for the previous fiscal quarter of the type and in the format provided in audited financial statements of the Borrower for the prior Fiscal Year.

(iii) Enrollment data for the previous fiscal quarter.

(iv) For the last fiscal quarter of each Fiscal Year, a copy of the Borrower's budget for the subsequent Fiscal Year.

(v) A year-to-date comparison of the revenues and expenditures in the unaudited financial statements to the annual budget.

(vi) Recommendations of any consultant received in accordance with the Loan Agreement or Master Indenture during such fiscal quarter.

(vii) Notice of any threatened termination of any license or other official approval or accreditation that is material to the activities of the Borrower, or of the commencement of any litigation or other governmental or judicial proceeding in which an outcome adverse to the Borrower could result in a judgment in excess of available insurance coverage or otherwise have a material adverse effect on the operations or financial condition of the Borrower, and any other event which reasonably could be expected to have a material adverse effect on the operations or financial condition of the Borrower.

(viii) Management discussion of any significant variance between budgeted and actual revenues and expenditures during the previous fiscal quarter.

(ix) Any change in Key Management Personnel for the Borrower's Executive Team as shown in Appendix A to the Limited Offering Memorandum.

(x) The amount and repayment terms of any additional Debt (as defined in the Master Trust Indenture) of the Borrower entered into after the date of this Disclosure Agreement.

(b) Any or all of the items listed in subsection (a) above may be included by specific reference to other documents, including any official statement or prospectus of debt issues for the benefit of the Borrower or related entities, which have been submitted to each of the MSRB. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board.

The Borrower shall clearly identify each such other document so included by reference. The Borrower is solely responsible for the content and format of the Quarterly Report, and the Dissemination Agent shall have no liability or responsibility for content, format, accuracy or completeness of such Quarterly Report.

Section 8. Use of EMMA. Any filings required to be made with or notices to be given to the MSRB under this Disclosure Agreement shall be effected by sending the filing or notice to EMMA at www.emma.msrb.org in an electronic format accompanied by identifying information as prescribed by the MSRB, or to such other entity and in such other format as may be designated under the Rule. The Dissemination Agent agrees to comply with the provisions of EMMA in making such filings and giving such notices under this Disclosure Agreement.

Section 9. Termination of Reporting Obligation. The obligations of the Borrower and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, prepayment or payment in full of all of Bonds. If such termination occurs prior to the final maturity of Bonds, the Borrower shall give notice of such termination in the same manner as for a Listed Event under Section 5(d) hereof.

Section 10. Annual Conference Calls. The Borrower shall schedule annual conference calls (following the end of the 2025-26 Fiscal Year) for Beneficial Owners to be held during normal business hours (for both prevailing Eastern Time and prevailing Pacific Time), and shall provide the Dissemination Agent and the Participating Underwriter with a notice of date and time for such call and contact telephone information.

Section 11. Failure to File. If the Borrower does not provide to the Dissemination Agent a copy of an Annual Report or a Quarterly Report by the applicable dates required in Section 3(a) or Section 6(a) above, the Dissemination Agent in a timely manner shall send a notice to the Borrower and the Participating Underwriter in substantially the form attached as Exhibit B. If the Borrower files any report directly with MSRB, the Borrower shall promptly provide the Dissemination Agent with a confirmation or documentation reasonably required by the Dissemination Agent confirming that the filing of such report was made in a timely manner on or before the date required herein (or if not as of such date, specifying the date of filing) and that such filing contained the information required by this Disclosure Agreement.

Section 12. Dissemination Agent. The Borrower may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Borrower pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Borrower shall be the Dissemination Agent. The initial Dissemination Agent shall be the Bond Trustee. Any person succeeding to all or substantially all of the Bond Trustee's corporate trust business shall be the successor to the Bond Trustee hereunder without the execution or filing of any paper or any further act. The Dissemination Agent may resign its duties under this Disclosure Agreement upon 60 days prior written notice to the Borrower.

Section 13. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original execution and delivery of Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by the Holders of Bonds in the same manner as provided in the Bond Indenture for amendments to the Bond Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel or another party unaffiliated with the Borrower, materially impair the interests of the Holders or Beneficial Owners of Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Borrower shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, notice of such change shall be given in the same manner as for a Listed Event under Section 5(d).

Section 14. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this

Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Borrower shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 15. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination Agent (at the written direction of the Holders of not less than 25% in aggregate principal amount of Bonds then outstanding and upon being indemnified to its satisfaction therefor, shall, or the Participating Underwriter or any Holder of Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under Bonds, the Bond Indenture, the Master Indenture or the Loan Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance. The Dissemination Agent shall not be required to take any action whatsoever to cause the Borrower to comply with its obligations under this Dissemination Agreement other than those specifically set forth in Section 3 hereof.

Section 16. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants or obligations of the Dissemination Agent shall arise in this Disclosure Agreement. The Borrower agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, fees, expenses and liabilities which it may incur arising out of the disclosure of information pursuant to this Disclosure Agreement or arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct, as the case may be. The obligations of the Borrower under this Section shall survive resignation or removal of the Dissemination Agent, termination of this Disclosure Agreement and payment of Bonds. The Dissemination Agent shall have no liability for the Borrower's failure to report any event or any financial information or operating data as to which the Borrower has not provided an information report in format suitable for filing with the MSRB. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in a fiduciary capacity. The obligations of the Borrower under this Section shall survive resignation of the Dissemination Agent or the termination of this Dissemination Agreement. In the absence of bad faith on its part, the Dissemination Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Dissemination Agent by the Disclosure Representative and conforming to the requirements of this Disclosure Agreement. In the case of any Annual Reports or description of any Listed Events, or any opinions which by any provision hereof are specifically required to be furnished to the Dissemination Agent, the Dissemination Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Disclosure Agreement, but shall be under no duty to verify independently or investigate the accuracy or completeness of any information contained therein or the correctness of any opinion furnished hereunder. No provision of this Disclosure Agreement shall require the Dissemination Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, or other paper or document believed by it to be genuine and to have been signed or presented by the Disclosure Representative. The Dissemination Agent may consult with counsel of its choice and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon, it being understood that for purposes of this provision, that such counsel may be counsel to the Borrower. The Borrower shall not be liable for the fees and expenses of any such counsel

consulted by the Dissemination Agent without the prior consent of the Borrower. The Dissemination Agent shall not be bound to make any investigation into the facts or matters stated in and Annual Report or description of a Listed Event. To the extent not otherwise provided in this Disclosure Agreement, the Dissemination Agent shall be entitled to discharge its obligation hereunder in like manner as specified in the Bond Indenture for the discharge of the obligations of the Bond Trustee thereunder.

Section 17. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the Borrower:	Logos Preparatory Academy Attn: Head of School 13303 SW Freeway Sugar Land, Texas 77478
To Dissemination Agent:	UMB Bank, National Association Attn: Corporate Trust Services 3070 Bristol Street, Suite 300 Costa Mesa, California 92626

A copy of each notice shall be sent to the Participating Underwriter as follows:

Stifel, Nicolaus & Company, Incorporated
Attn: John Kim
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 18. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter, the Bond Trustee and Holders and Beneficial Owners from time to time of Bonds, and shall create no rights in any other person or entity.

Section 19. Fees and Expenses. Except to the extent limited by Section 15 hereof, the Dissemination Agent shall be entitled to payment and reimbursement from the Borrower for its services rendered hereunder and all rightful advances and other expenses reasonably made or incurred by the Dissemination Agent.

Section 20. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 21. Choice of Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of California, provided that to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

Section 22. Severability. If any portion of this Disclosure Agreement shall be held invalid or inoperative, then, so far as is reasonable and possible (i) the remainder of this Disclosure Agreement shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion held invalid or inoperative.

Section 23. Other Instruments. The Borrower and the Dissemination Agent covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out this Disclosure Agreement.

Section 24. Captions, Titles, and Headings. The captions, titles, and headings used in this Disclosure Agreement are for convenience only and shall not be construed in interpreting this Disclosure Agreement.

Section 25. Entire Agreement. This Disclosure Agreement contains the entire understanding among the parties and supersedes any prior understandings or written or oral agreements between them respecting the subject matter of this Disclosure Agreement.

IN WITNESS WHEREOF, the undersigned have duly authorized, executed and delivered this Continuing Disclosure Agreement as of the date first written above.

UMB BANK, NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Officer

LOGOS PREPARATORY ACADEMY, a Texas
nonprofit corporation

By: _____
Richard E. Goolsby, Jr.
Chairman

EXHIBIT A

FORM OF CERTIFICATE FOR ANNUAL FILING OF CERTAIN FINANCIAL AND OPERATING COVENANTS

Name of Issuer: Arlington Higher Education Finance Corporation

Name of Bond Issue: Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026

Dissemination Agent: UMB Bank, National Association

Name of Borrower: Logos Preparatory Academy

Date of Issuance: March __, 2026.

The undersigned authorized representative of the Borrower is providing to the Dissemination Agent the following operational information as required under Section 4 of the Continuing Disclosure Agreement, dated as of March 1, 2026 (the “Disclosure Agreement”), between the Dissemination Agent and the Borrower. The Disclosure Agreement requires that this information be provided to the Dissemination Agent within 180 days of the end of each fiscal year. Defined terms used in this certificate and not defined herein shall have the meaning granted to such terms in the Disclosure Agreement or, if not defined therein, in the Bond Indenture. The information contained below is unaudited.

1. The undersigned is familiar with the provisions of the Loan Agreement, and based on such review and familiarity, the Borrower has fulfilled all of its obligations thereunder throughout Fiscal Year preceding the date hereof, and there have been no Defaults or Events of Default under the Loan Agreement (or, if there has been a Default or Event of Default in the fulfillment of any such obligation in such Fiscal Year, attached hereto as Appendix I is additional information specifying each such Default or Event of Default known to the undersigned and the nature and status thereof and the actions taken or being taken to correct such Default or Event of Default).

2. All insurance required by the Master Indenture is in full force and effect as of the date hereof.

3. Financial Covenants as of May 31, 20__:

(a) Days Cash on Hand was __ days, which [does/does not] comply with the liquidity covenant in the Master Trust Indenture.

(b) The Debt Service Coverage Ratio pursuant to the Master Trust Indenture for the Fiscal Year ended May 31, 20__ was __x.

4. An update of the information included in the following tables in Appendix A to the Limited Offering Memorandum:

- Table 7 – Applications and Open Seats (Current Year, including applicants on Wait Pool)
- Table 8 – Enrollment by Grade (Prior Year and Current Year)
- Table 10 – Tuition Rates (Actual Current Year and Projected Following Year)

This certificate is being provided by the Borrower to the Dissemination Agent on a date which is [within][outside] of 180 days from the end of its prior fiscal year.

Dated: _____

LOGOS PREPARATORY ACADEMY

By: _____
Authorized Officer

EXHIBIT B

**NOTICE TO REPOSITORIES OF FAILURE TO
FILE ANNUAL OR QUARTERLY REPORT**

Name of Issuer: Arlington Higher Education Finance Corporation

Name of Bond Issue: Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026

Dissemination Agent: UMB Bank, National Association

Name of Borrower: Logos Preparatory Academy

Date of Issuance: March __, 2026.

NOTICE IS HEREBY GIVEN that the Borrower has not provided an [Annual Report][Quarterly Report] with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated as of March 1, 2026, between the undersigned Dissemination Agent and the Borrower. The Borrower anticipates that the [Annual Report] [Quarterly Report] will be filed by _____.

Dated: _____

UMB BANK, NATIONAL ASSOCIATION, as
Dissemination Agent

By: _____
Authorized Officer

cc: Stifel, Nicolaus & Company, Incorporated

APPENDIX E

**FORM OF MASTER INDENTURE
AND SUPPLEMENTAL MASTER INDENTURE**

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MASTER TRUST INDENTURE AND SECURITY AGREEMENT

between

LOGOS PREPARATORY ACADEMY

and

UMB BANK, NATIONAL ASSOCIATION,
as Master Trustee

Dated as of

March 1, 2026

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101.	Construction of Terms; Definitions.....	3
Section 102.	Form of Documents Delivered to Master Trustee	13
Section 103.	Acts of Note Holders.	14
Section 104.	Notices, etc., to Master Trustee and Company.....	16
Section 105.	Notices to Note Holders; Waiver.....	16
Section 106.	Successors and Assigns.....	16
Section 107.	Entire Agreement; Severability Clause	16
Section 108.	Benefits of Master Indenture	17
Section 109.	Governing Law; Waiver of Trial By Jury.....	17
Section 110.	Effect of Headings and Table of Contents.....	17

ARTICLE II

ISSUANCE AND FORM OF NOTES

Section 201.	Series, Amount and Denomination of Notes.....	17
Section 202.	Conditions to Issuance of Notes	18
Section 203.	Execution, Authentication and Delivery.....	18
Section 204.	Form and Terms of Notes.....	19
Section 205.	Registration, Transfer and Exchange.	20
Section 206.	Mutilated, Destroyed, Lost and Stolen Notes.	20
Section 207.	Method of Payment of Notes.....	21
Section 208.	Persons Deemed Owners.....	22
Section 209.	Cancellation	22
Section 210.	Security for Notes.....	22
Section 211.	Mortgage, Pledge and Assignment; Further Assurances.....	23
Section 212.	Additional Debt.....	24
Section 213.	Insurance.....	26

ARTICLE III

REDEMPTION OR PREPAYMENT OF NOTES

Section 301.	Redemption or Prepayment.....	27
Section 302.	Election to Redeem or Prepay; Notice to Master Trustee	27
Section 303.	Deposit of Redemption or Prepayment Price.....	28
Section 304.	Notes Payable on Redemption or Prepayment Date.....	28
Section 305.	Notes Redeemed or Prepaid in Part.....	28

ARTICLE IV

COVENANTS OF THE COMPANY

Section 401.	Payment of Debt Service.....	28
Section 402.	Money for Note Payments to be Held in Trust; Appointment of Paying Agents.....	29
Section 403.	Notice of Non-Compliance.....	30

Section 404.	Corporate Existence.....	30
Section 405.	Revenue Fund.....	30
Section 406.	Insurance and Condemnation Proceeds Fund.	32
Section 407.	Waiver of Certain Covenants.....	33
Section 408.	Debt Service Coverage Ratio.....	33
Section 409.	Liquidity Requirement.....	33
Section 410.	Financial Reports; No Default Certificates; Notice of Default.....	34
Section 411.	Operating Reserve Fund.....	34
Section 412.	Negative Pledge.....	35
Section 413.	Approval of Management Consultant	35
Section 414.	Treatment of Funds in Bankruptcy.....	35

ARTICLE V CONSOLIDATION, MERGER, CONVEYANCE AND TRANSFER

Section 501.	Consolidation, Merger, Conveyance, or Transfer Only on Certain Terms.....	36
Section 502.	Successor Corporation Substituted.....	36

ARTICLE VI REMEDIES OF THE MASTER TRUSTEE AND NOTE HOLDERS IN EVENT OF DEFAULT

Section 601.	Events of Default.....	36
Section 602.	Acceleration of Maturity in Certain Cases; Rescission and Annulment.	38
Section 603.	Collection of Indebtedness and Suits for Enforcement by Master Trustee.....	38
Section 604.	Master Trustee May File Proofs of Claim.	39
Section 605.	Master Trustee May Enforce Claims Without Possession of Notes	40
Section 606.	Application of Money Collected.....	40
Section 607.	Limitation on Suits	41
Section 608.	Unconditional Right of Note Holders to Receive Principal, Premium and Interest.	41
Section 609.	Restoration of Rights and Remedies	41
Section 610.	Rights and Remedies Cumulative	42
Section 611.	Delay or Omission Not Waiver.....	42
Section 612.	Control by Note Holders	42
Section 613.	Waiver of Past Defaults.....	42
Section 614.	Undertaking for Costs	43
Section 615.	Waiver of Stay or Extension Laws.....	43
Section 616.	No Recourse Against Others	43
Section 617.	Termination of Default.....	43

ARTICLE VII CONCERNING THE MASTER TRUSTEE

Section 701.	Duties and Liabilities of Master Trustee.....	44
Section 702.	Notice of Defaults.....	45
Section 703.	Certain Rights of Master Trustee.....	45
Section 704.	Not Responsible For Recitals or Issuance of Notes.....	49
Section 705.	Master Trustee May Own Notes	49
Section 706.	Moneys to Be Held in Trust	49

Section 707.	Compensation and Expenses of Master Trustee.....	49
Section 708.	Corporate Master Trustee Required; Eligibility	50
Section 709.	Resignation and Removal; Appointment of Successor.....	51
Section 710.	Acceptance of Appointment by Successor.....	52
Section 711.	Merger or Consolidation	52
Section 712.	Release of Property	52
Section 713.	Subordination Authority.....	53

ARTICLE VIII SUPPLEMENTS

Section 801.	Supplemental Master Indentures Without Consent of Note Holders	53
Section 802.	Supplemental Indentures With Consent of Note Holders.	55
Section 803.	Execution of Supplemental Indentures.....	56
Section 804.	Effect of Supplemental Master Indentures	56
Section 805.	Notes May Bear Notation of Changes.....	56

ARTICLE IX SATISFACTION AND DISCHARGE OF MASTER INDENTURE

Section 901.	Satisfaction and Discharge of Master Indenture.....	56
Section 902.	Notes Deemed Paid.....	57
Section 903.	Application of Trust Money	57

ARTICLE X MISCELLANEOUS

Section 1001.	Execution in Counterparts.....	58
Section 1002.	Final Agreement.....	58

EXHIBIT A – Permitted Liens

MASTER TRUST INDENTURE AND SECURITY AGREEMENT

THIS MASTER TRUST INDENTURE AND SECURITY AGREEMENT (this “**Master Indenture**”), dated as of March 1, 2026, is between LOGOS PREPARATORY ACADEMY, a Texas nonprofit corporation (the “**Company**”), and UMB BANK, NATIONAL ASSOCIATION, a national banking association with a corporate trust office in Costa Mesa, California, not in its individual capacity but solely as the Master Trustee (the “**Master Trustee**”).

WITNESSETH:

WHEREAS, the Company is authorized by law and deems it necessary and desirable to enter into this Master Indenture for the purpose of providing for the incurrence of Debt and the issuance of Notes hereunder to evidence and secure such Debt.

WHEREAS, all acts and things necessary to constitute these presents a valid indenture and agreement according to its terms have been done and performed and the execution of this Master Indenture has in all respects been duly authorized, and the Company, in the exercise of the legal right and power vested in it, has executed this Master Indenture and may incur Debt and make, execute, issue and deliver Notes hereunder.

NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH:

GRANTING CLAUSES

In order to declare the terms and conditions upon which Notes are to be authenticated, issued and delivered, and to secure the payment of Notes and the performance and observance of all of the covenants and conditions herein or therein contained, and in consideration of the premises, of the purchase and acceptance of Notes by the holders thereof and of the sum of One Dollar to them duly paid by the Master Trustee at the execution of these presents, the receipt and sufficiency of which is hereby acknowledged, the Company has executed and delivered this Master Indenture and by these presents does hereby convey, grant, assign, transfer, pledge, set over, confirm and grant a security interest in and to the Master Trustee, its successor or successors and its or their assigns forever, all and singular the property, real and personal, hereinafter described (said property being herein sometimes referred to as the “**Trust Estate**”) to wit:

(a) all Gross Revenues of the Company except and excluding all such items, whether now owned or hereafter acquired by the Company, which by their terms or by reason of applicable law would become void or voidable if granted, assigned, or pledged hereunder by the Company, or which otherwise may not be lawfully and effectively granted, pledged, and assigned by the Company, provided that the Company may subject to the lien hereof any such excepted property, whereupon the same shall cease to be excepted property;

(b) all moneys and securities, if any, at any time held by the Master Trustee in the Revenue Fund or any other fund or account established under the terms of this Master Indenture, or held by other banks or fiduciary institutions which are collaterally assigned to the Master Trustee as security for the Notes including the depository account specified in a Deposit Account Control Agreement and all securities, financial assets (as defined in

Section 8-102(a)(9) of the UCC) and securities entitlements (within the meaning of Section 8-102(a)(17) of the UCC) and, with respect to Book-Entry Securities, in the applicable Federal Book-Entry Regulations, carried in or credited to such fund or account;

(c) all accounts established by or under this Master Indenture, bank accounts holding any portion of the Gross Revenues, general intangibles, contract rights and related rights of the Company (each as defined in the UCC), whether now owned or hereafter acquired or arising and wherever located;

(d) any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as additional security hereunder by the Company or by anyone on its behalf to the Master Trustee, subject to the terms thereof, including without limitation, funds of the Company held by the Master Trustee as security for the Notes;

(e) any real and personal property subject to the lien of any Deed of Trust (as hereinafter defined); and

(f) proceeds of the foregoing, including cash proceeds and cash equivalents, products, accessions and replacements.

In addition to the foregoing, the "Trust Estate" includes all goods, documents, instruments, tangible and electronic chattel paper, letter of credit rights, investment property, accounts, deposit accounts, money and other items of personal property, including proceeds (as each such term is defined in the UCC) which constitute any of the property described in the foregoing Granting Clauses.

TO HAVE AND TO HOLD IN TRUST, upon the terms herein set forth, subject to Section 210 hereof, for the equal and proportionate benefit, security, and protection of all Note Holders issued under and secured by this Master Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Notes over any other; provided, however, that if the Company shall pay, or cause to be paid, the principal of the Notes or the obligations secured thereby and the redemption or prepayment premium, if any, and the interest and any other amounts due or to become due thereon in full at the times and in the manner mentioned in the Notes according to the true intent and meaning thereof, and the Company shall keep, perform and observe all the covenants and conditions pursuant to the terms of this Master Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Master Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payment this Master Indenture and the rights hereby granted and the restrictions hereby incurred shall cease, determine and be void; otherwise this Master Indenture shall be and remain in full force and effect. Notwithstanding anything in this Master Indenture to the contrary, when all of the Notes are no longer Outstanding, the Master Trustee may execute a release of the lien of this Master Indenture on the Deed of Trust and any property of the Company encumbered thereby.

NOW, THEREFORE, in consideration of the premises, the Company covenants and agrees with the Master Trustee, for the equal and proportionate benefit of the respective Note Holders from time to time, as follows:

ARTICLE I
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101. Construction of Terms; Definitions.

(a) For all purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) The term “**Master Indenture**” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

(2) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section or other subdivision.

(3) The terms defined in this Article have the meanings assigned to them in this Article throughout this Master Indenture, and include the plural as well as the singular. Reference to any Person means that Person and its successors and assigns.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(5) The terms used in this Master Indenture and not defined herein have the meanings assigned to them in the Related Bond Documents.

(b) The following terms have the meanings assigned to them below whenever they are used in this Master Indenture:

“**Accountant**” means a Person engaged in the practice of accounting who is a certified public accountant and who (except as otherwise expressly provided herein) may be employed by or affiliated with the Company.

“**Act of Bankruptcy**” means the filing of a petition in bankruptcy under the United States Bankruptcy Code, or the institution of proceedings under state insolvency or other laws affecting creditors’ rights generally, by or against the Company; provided that such filings or proceedings have not been dismissed or, if dismissed, are subject to appeal.

“**Annual Debt Service Requirements**” of any specified Person means, for any Fiscal Year, the principal of (and premium, if any) and interest and other debt service charges (which include for purposes hereof, any fees or premiums for any letter of credit, surety bond, policy of insurance, bond purchase agreement, or any similar credit or liquidity support secured in connection therewith) on Debt of such Person coming due at Maturity or Stated Maturity during such Fiscal Year; provided, however, that for purposes of calculating the Annual Debt Service Requirements, the following rules shall apply:

(a) Balloon Debt; Interim Debt - in the case of Balloon Debt or Interim Debt, the amount of principal and interest payments required to be made in any future Fiscal Year shall, at the option of the Company, be deemed to be that amount which would be payable in such Fiscal Year if the principal of such Balloon Debt or Interim Debt were amortized from the date of calculation over a period specified by the Company not to exceed 30 years assuming a level annual debt service at a rate of interest equal to (i) the rate specified in such obligation (determined as of the time of calculation of the Annual Debt Service Requirement and, if such obligation bears interest a variable rate, calculated in the manner provided herein with respect to Variable Rate Debt), (ii) the Bond Buyer Revenue Bond Index or (iii) such other interest rate set forth in writing by a nationally recognized firm of investment bankers or financial advisory firm selected by the Company;

(b) Prefunded Payments - principal of (and premium, if any) and interest and other debt service charges on Debt, or portions thereof, shall not be included in the computation of the Annual Debt Service Requirements for any Fiscal Year for which such principal, premium, interest, or other debt service charges are payable from funds irrevocably deposited or set aside in trust for the payment thereof at the time of such calculations (including without limitation capitalized interest and accrued interest so deposited or set aside in trust or escrowed with the Master Trustee, any Related Bond Trustee or another Independent Person, and the principal and interest payable upon the final maturity for any outstanding Debt for which a reserve fund has been established and is available for such payment);

(c) Variable Rate Debt - as to any Debt that bears interest at a variable interest rate which cannot be ascertained at the time of calculation, an interest rate equal to the average rate of interest borne by such Debt during the preceding Fiscal Year (or any 12-month period during the eighteen (18) calendar months immediately prior to the date of calculation) or, in respect of any proposed variable rate Debt, a rate that is equal to the Bond Buyer Revenue Bond Index (or, if the Bond Buyer Revenue Bond Index is unavailable, a comparable index chosen by the underwriter with respect to any Related Bonds) shall be presumed to apply for all future dates and the principal shall be evenly allocated over the life of the Debt issue with an equal amount of principal deemed due each year;

(d) Contingent Obligations - in the case of any guarantees or other Debt described in clause (iii) of the definition of Debt, the principal of (and premium, if any) and interest and other debt service charges on such Debt for any Fiscal Year shall be deemed to be 10% of the principal of (and premium, if any) and interest and other debt service charges on the indebtedness guaranteed due in such Fiscal Year; provided, however, that if the Person that guarantees or is otherwise obligated in respect of such Debt is actually required to make any payment in respect of such Debt, the total amount payable by such Person in respect of such guarantee or other obligation in such Fiscal Year shall be included in any computation of the Annual Debt Service Requirements of such Person for such year and the amount payable by such Person in respect of such guarantee or other obligation in any future Fiscal Year shall be included in any computation of the estimated Annual Debt Service Requirements for such Fiscal Year; and

(e) Financial Products - in the event there shall have been issued or entered into in respect of all or a portion of any Debt a Financial Products Agreement with respect to Debt, interest on such Debt shall be included in the calculation of Annual Debt Service Requirements by including for such period an amount equal to the amount payable on such Debt in such period at the rate or rates stated in such Debt plus any payments payable by such Person in respect of such Financial Products Agreement minus any payments receivable by such Person in respect of such Financial Products Agreement, as calculated by the financial advisor to the Company.

“Authorized Denominations” means the amounts, if any, set forth therefor in the Supplemental Master Indenture authorizing any series of Notes.

“Authorized Representative” means the Chairman of the Governing Body of the Company, the Head of School, the Finance Director, or any other person duly appointed by the Governing Body of the Company to act on behalf of the Company, each as evidenced by a written certificate furnished to the Master Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by an authorized officer of the Company. The Master Trustee may rely on such written certificate until it is given written notice to the contrary.

“Balloon Debt” means Debt where the principal of (and premium, if any) and interest and other debt service charges on such Debt due (or payable in respect of any required purchase of such Debt by such Person on demand) in any Fiscal Year either are equal to or exceed 25% of the total principal of (any premium, if any) and interest and other debt service charges on such Debt or exceed by more than 50% the greatest amount of principal of (and premium, if any) and interest and other debt service charges on such Debt due in any preceding or succeeding Fiscal Year.

“Board Resolution” means a copy of a resolution certified by the Person responsible for maintaining the records of the Governing Body to have been duly adopted by the Governing Body and to be in full force and effect on the date of such certification and delivered to the Master Trustee.

“Business Day” means any day other than a Saturday, a Sunday or a day on which banking institutions or trust companies in New York, New York, Kansas City, Missouri, Costa Mesa, California, or in the cities where the Corporate Trust Office of the Trustee or its payment office is located are authorized or obligated by law, regulation or executive order to close or remain closed.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and the corresponding provisions, if any, of any successor internal revenue laws of the United States.

“Company” means Logos Preparatory Academy, a Texas nonprofit corporation, its permitted successors and assigns, and any resulting, surviving or transferee Person permitted hereunder.

“Company Order” means an Order of the Company executed by an Authorized Representative and delivered in connection with the issuance of a series of Related Bonds.

“**Consent**,” “**Order**,” and “**Request**” means a written consent, order or request signed in the name of the Company and delivered to a Responsible Officer of the Master Trustee by an Authorized Representative or any other Person designated by the Company to execute any such instrument on behalf of the Company as evidenced by an Officer’s Certificate.

“**Corporate Trust Office**” means the address or addresses of the Master Trustee designated from time to time in accordance with Section 104.

“**Days Cash on Hand**” means, as of any date of determination, the product obtained by multiplying 365 by the quotient determined by dividing (a) all cash, cash equivalents, liquid investment, and unrestricted marketable securities (valued at the lower of cost or market) of the Company which is not restricted as to use by the donor or grantor for a purpose inconsistent with the payment of debt service on Debt, Related Bonds or Notes as reported in the Company’s most recent audited financial statements, as of such last day of such Fiscal Year by (b) the total Expenses plus interest expense of the Company for the prior Fiscal Year.

“**Debt**” means all:

(i) indebtedness incurred or assumed by the Company for borrowed money or for the acquisition, construction or improvement of property other than goods that are acquired in the ordinary course of business of the Company;

(ii) lease obligations of the Company that (A) in accordance with generally accepted accounting principles, including Topic 842 issued by the Financial Accounting Standards Board, are classified as finance leases, or (B) constitute real property leases for a term (including any option of the Company to extend such term) equal to or greater than three years;

(iii) all guarantees of indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or the acquisition, construction or improvement of property or capitalized lease obligations guaranteed, directly or indirectly, in any manner by the Company, or in effect guaranteed, directly or indirectly, by the Company through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(iv) all indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the Company whether or not the Company has assumed or become liable for the payment thereof.

For the purpose of computing “**Debt**”, there shall be excluded any particular Debt if upon or prior to the Maturity thereof, there shall have been deposited with the proper depository in trust the

necessary funds for the payment, redemption or satisfaction of such Debt; and thereafter such funds so deposited shall not be included in any computation of the assets of the Company, and the income from any such deposits shall not be included in the calculation of Gross Revenues or Net Operating Revenues. Nothing in this definition or otherwise shall be construed to count Debt more than once.

“Debt Service Coverage Ratio” for any period means the ratio of the Net Operating Revenues for such period to the sum of (a) the Annual Debt Service Requirements for all Debt, less (i) any capitalized interest payments under a Related Bond Indenture during such period and (ii) any interest earned on funds held under a Related Bond Indenture (other than funds held for purposes of making rebate payments in accordance with Section 148(f) of the Code) during such period available for the payment of Debt Service, and (b) Facility Lease Payments of the Company for such period (to the extent such Facility Lease Payments constitute Debt Service).

“Deed of Trust” means any Deed of Trust and Security Agreement from the Company to the Master Trustee entered into in connection with the issuance of any Note requiring such security, or otherwise granted to the Master Trustee encumbering property of the Company, as such Deed of Trust may be amended, supplemented or restated, and/or any security instrument executed in substitution therefor or in addition thereto, as such substitute or additional security instrument may be amended, supplemented or restated from time to time.

“Defeasance Obligations” means any obligations authorized under Texas law and the related financing documents to be deposited in escrow for the defeasance of any Debt.

“Deposit Account Control Agreement” means any Deposit Account Control Agreement entered into among the Company, the Master Trustee and the Depository Bank, and any other deposit account control agreement entered into by the Company, the Master Trustee and a Depository Bank from time to time in connection with any Related Bond Indenture.

“Depository Bank” means any bank designated by the Company as its depository bank.

“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Master Trustee, or another method or system specified by the Master Trustee as available for use in connection with its services hereunder.

“Eligible Securities” means, to the extent permitted by law (as determined by the Company by not the Master Trustee) obligations or securities maturing or redeemable at the option of the Master Trustee, or marketable, prior to the maturities thereof, at such time or times as to enable disbursements to be made from the Revenue Fund in accordance with the terms hereof.

“Eliminated Expenses” means any Expenses that the Company certifies will be eliminated as a result of the issuance of incurrence of any additional Debt.

“Event of Default” is defined in Section 601 of this Master Indenture.

“Excess Net Revenues” of the Company for any Fiscal Year means the difference, if positive, between (a) Net Operating Revenues for such Fiscal Year and (b) the Annual Debt Service Requirements for all Long-Term Debt of the Company for such Fiscal Year.

“Expenses” means, for any period of time for which calculated, the total of all current expenses incurred during such period by the Company for which such calculation is made, determined in accordance with generally accepted accounting principles, other than (a) interest expense, (b) depreciation and amortization, (c) extraordinary losses resulting from the early extinguishment of debt, the sale or other disposition of assets not in the ordinary course of business, losses resulting from any reappraisal, revaluation or write-down of assets, and any other extraordinary losses or expenses, (d) other non-cash expenses or losses, and (e) for purposes of Section 212 hereof, Eliminated Expenses.

“Facility Lease Payments” means, for any period of calculation the total of all rental payments under operating leases for facilities of the Company.

“Financial Products Agreement” means any type of financial management instrument or contract, which shall include, but not be limited to, (i) any contract known as or referred to or which performs the function of an interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract; (ii) any contract providing for payments based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock or other indices; (iii) any contract to exchange cash flows or payments or a series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, options, puts or calls, to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate or other financial risk forward supply agreements; and (v) any other type of contract or arrangement that the Governing Body of the Company determines is to be used, or is intended to be used, to manage or reduce the cost of debt (including but not limited to a bond insurance policy), to convert any element of debt from one form to another, to maximize or increase investment return, to minimize investment return risk or to protect against any type of financial risk or uncertainty.

“Fiscal Year” means any twelve-month period beginning on June 1 of any calendar year and ending on May 31 of the following year or such other twelve-month period selected by the Company as the fiscal year for the Company.

“Governing Body” means the board of directors of the Company or any duly authorized committee of the board of directors of the Company.

“Gross Revenues” means, for any period of calculation, the total of all receipts, revenues, and income of the Company, including, without limitation, tuition, fees, charges, accounts receivable and rights to receive the same, and investment and other income of the Company for such period; provided, however, that no determination thereof shall take into account (a) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on Debt or Related Bonds, (b) any gains or losses resulting from the early extinguishment of Debt, the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses, (c) gifts, grants, bequests or donations and income thereon restricted as to use by

the donor or grantor for a purpose inconsistent with the payment of debt service on Debt or Related Bonds or Notes (i.e., unrelated to the purposes for which such obligations were issued), (d) net unrealized gain (losses) on investments and Financial Products Agreements and (e) proceeds of borrowing.

“Independent,” when used with respect to any specified Person, means such a Person who (i) is in fact independent, (ii) does not have any direct financial interest or any material indirect financial interest in the Company, and (iii) is not connected with the Company as an officer, employee, promoter, trustee, partner, director or person performing similar functions. Whenever it is provided that any Independent Person’s opinion or certificate shall be furnished to the Master Trustee, such Person shall be appointed by Order and such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“Interest Payment Date” means the Stated Maturity of an installment of interest on any Note.

“Insurance Consultant” means a firm of Independent professional insurance brokers knowledgeable in the operations of educational facilities and having a favorable reputation for skill and experience in the field of educational facilities insurance consultation and which may include a broker or agent with whom the Company transacts business.

“Interim Debt” means Long-Term Debt for the acquisition or construction of a capital asset with an original maturity not in excess of seven (7) years, certified in an Officer’s Certificate filed with the Master Trustee to have been incurred in anticipation of refinancing with Long-Term Debt (other than Interim Debt) prior to the final maturity thereof.

“Long-Term Debt” of any specified Person means all Debt created, assumed, or guaranteed by a Person that matures by its terms (in the absence of the exercise of any earlier right of demand) or is renewable at the option of such Person to a date more than one year after the original creation, assumption, or guarantee of such Debt by such Person.

“Management Consultant” means a firm of Independent professional management consultants, or an Independent school management organization or a financial or municipal advisory consultant or firm, knowledgeable in the operation of public or private schools or financial management thereof and having a favorable reputation for skill and experience in the field of public or private school management or financial consultation.

“Master Indenture” means this Master Trust Indenture and Security Agreement, as amended and supplemented from time to time in accordance with its terms.

“Master Trustee” means UMB Bank, National Association, a national banking association with a corporate trust office in Costa Mesa, California, serving as trustee pursuant to this Master Indenture, and its successors and assigns.

“Maturity,” when used with respect to any Debt (or any Note), means the date on which the principal of such Debt (or Note) becomes due and payable as therein or herein provided,

whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption or otherwise.

“Maximum Annual Debt Service” means, as of any date of calculation, the highest Annual Debt Service Requirements with respect to all Outstanding Long-Term Debt for any current or succeeding Fiscal Year.

“Net Operating Revenues” means, for any period of determination thereof, the amount of excess (deficit) of Gross Revenues over Expenses for such period, plus Facility Lease Payments paid by the Company for such period and any gifts, grants, requests or donations and income thereon restricted as to use by the donor or grantor for the sole purpose of paying Expenses of the Company, but less: (a) unrealized pledges for such period to make a donation, gift, or other charitable contribution to the extent encumbered, as permitted herein, to secure the payment of Debt, and (b) insurance (other than business interruption) and condemnation proceeds.

“Note” or **“Notes”** means any obligation of the Company issued pursuant to Section 201 of this Master Indenture and executed, authenticated, and delivered pursuant to Section 203 hereof.

“Note Holder” means a Person in whose name a Note is registered in the Note Register; or in the case of additional Debt in the process of issuance, the underwriter or bank who has executed the related purchase contract.

“Note Register” and **“Note Registrar”** have the respective meanings specified in Section 205 hereof.

“Notice of Exclusive Control” means the Notice of Exclusive Control specified in a Deposit Account Control Agreement.

“Officer’s Certificate” means a certificate of the Company signed by an Authorized Representative or any other Person designated by any of such Persons to execute an Officer’s Certificate as evidenced by a certificate of the Company delivered to the Master Trustee.

“Operating Reserve Fund” means a fund of that name established pursuant to Section 411 hereof.

“Opinion of Counsel” means a written opinion of counsel selected by the Company, who may (except as otherwise expressly provided) be counsel to any party to any transaction involving the issuance of Notes pursuant to Section 201 hereof.

“Outstanding,” when used with respect to the Notes means, as of the date of determination, all Notes theretofore authenticated and delivered under this Master Indenture, except:

- (i) Notes theretofore cancelled by the Master Trustee or the Paying Agent;

(ii) Notes for whose payment or redemption money (or Defeasance Obligations to the extent permitted by Section 902 of this Master Indenture) in the necessary amount has been theretofore deposited with the Master Trustee or any Paying Agent for such Notes in trust for such Note Holders pursuant to this Master Indenture or any Supplemental Master Indenture authorizing such Notes; provided, that if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to this Master Indenture or irrevocable provision therefor satisfactory to the Master Trustee has been made; and

(iii) Notes upon transfer of or in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Master Indenture or any Supplemental Master Indenture authorizing such Notes; provided, however, that in determining whether the holders of the requisite principal amount of Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Notes owned by the Company shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Master Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which the Master Trustee actually knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Master Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Company or any other obligor upon the Notes or any other Person obligated thereon. If there is any conflict between the aforementioned provisions of this subsection (iii) and Section 103 of this Master Indenture, Section 103 shall control.

"Paying Agent" means the Master Trustee or any other Person authorized by the Company to pay the principal of (and premium, if any) or interest on any series of Notes.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment" for any series of Notes means a city or any political subdivision thereof designated as such in the Notes of such series.

"Principal Payment Date" means the Stated Maturity of any installment of principal on any Note.

"Qualified Provider" means any financial institution or insurance company which is a party to a Financial Products Agreement if the unsecured long-term debt obligations of such financial institution or insurance company (or of the parent or a subsidiary of such financial institution or insurance company if such parent or subsidiary guarantees the performance of such financial institution or insurance company under such Financial Products Agreement), or obligations secured or supported by a letter of credit, contract, guarantee, agreement, insurance policy or surety bond issued by such financial institution or insurance company (or such guarantor

parent or subsidiary), are rated in one of the two highest rating categories of a Rating Service at the time of the execution and delivery of the Financial Products Agreement.

“Rating Service” means each nationally recognized securities rating service which at the time has a credit rating assigned to any series of Notes or Related Bonds (or any other indebtedness secured by Notes) at the request of the Company.

“Record Date” means the regular record date specified for each series of Notes.

“Related Bond Documents” means the Related Bonds, the Related Bond Indenture, the Related Loan Documents, and the Related Deed of Trust.

“Related Bond Indenture” means any indenture, bond resolution, loan agreement or similar instrument pursuant to which any series of Related Bonds is issued.

“Related Bonds” means bonds, promissory notes or other obligations with respect to which any Notes are issued and any other revenue bonds or similar obligations issued by any state of the United States or any municipal corporation or other political subdivision formed under the laws thereof or any constituted authority, agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof, the proceeds of which are loaned or otherwise made available to the Company in consideration, whether in whole or in part, of the execution, authentication and delivery of a Note or Notes to such governmental issuer.

“Related Bonds Outstanding” means all Related Bonds which have been duly authenticated and delivered by a Related Bond Trustee under a Related Bond Indenture that remain Outstanding thereunder and under the laws of the State.

“Related Bond Trustee” means any trustee under any Related Bond Indenture and any successor trustee thereunder or, if no trustee is appointed under a Related Bond Indenture, the Related Issuer or Related Lender, as applicable.

“Related Deed of Trust” means any Deed of Trust or other mortgage instrument delivered by the Company to the Master Trustee in connection with Related Bonds or any Debt.

“Related Issuer” means any issuer of a series of Related Bonds.

“Related Lender” means any lender or lessor to the Company of Debt, other than a Related Issuer, with respect to which any Notes are issued and which are secured by such Notes.

“Related Loan” means a loan made by a Related Lender to the Company pursuant to a Related Loan Document that is secured by a Note or a series of Notes issued hereunder.

“Related Loan Documents” means any loan agreement, lease agreement, credit agreement or other document pursuant to which a Related Issuer or Related Lender loans the proceeds from a series of Related Bonds or Notes to the Company.

“Related Project” means any project financed or refinanced by Debt issued under this Master Indenture and for which Debt remains outstanding.

“Responsible Officer,” when used with respect to the Master Trustee, means the officer in the Corporate Trust Office of the Master Trustee having direct responsibility for administration of this Master Indenture.

“Revenue Fund” has the meaning specified in Section 405 hereof.

“Series 2026 Bonds” means the Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026.

“Series 2026 Note” means the Note issued pursuant to a Supplemental Master Indenture and secured by this Master Indenture to evidence payment obligations of the Company with respect to the Series 2026 Bonds.

“Short-Term Debt” means any Debt having an original maturity of one year or less and not renewable at the option of the Company for a term greater than one year from the date of or original incurrence or issuance unless, by the terms of such Debt, no Debt is permitted to be outstanding thereunder of a period of at least twenty (20) consecutive days during each Fiscal Year.

“State” means the State of Texas.

“Stated Maturity,” when used with respect to any Debt or any Note or any installment of interest thereon, means the date specified in such Debt or Note as the fixed date on which the principal of such Debt or Note or such installment of interest is due and payable.

“Subordinate Debt” means any Debt, the payment of which is either unsecured or expressly made subordinate to the right of payment to other Debt incurred under this Master Indenture.

“Supplemental Master Indenture” means an indenture amending or supplementing this Master Indenture entered into pursuant to Article VIII hereof.

“Trust Estate” means the property described as the Trust Estate in the Granting Clauses of this Master Indenture or any Supplemental Master Indenture that is subject to the lien and security interest of this Master Indenture.

“UCC” means the Uniform Commercial Code as in effect in the State.

Section 102. Form of Documents Delivered to Master Trustee. Every certificate and every Opinion of Counsel with respect to compliance with a condition or covenant provided for in this Master Indenture shall be in writing and include a statement that the person making such certification or opinion has read such covenant or condition and the definitions relating thereto, has made or caused to be made such examination or investigation as is necessary to enable him to express an informed opinion as to whether such covenant or condition has been complied with, and a statement whether such condition or covenant has been complied with. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may

certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of any officer of a Person may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which such Person's certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of a specified Person stating that the information with respect to such factual matters is in the possession of such Person, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Master Indenture, they may, but need not, be consolidated and form one instrument.

Section 103. Acts of Note Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Master Indenture to be given or taken by Note Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Note Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Master Trustee or Paying Agent, and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Action" of the Note Holders signing such instrument or instruments. Proof of execution of any such instrument, or of a writing appointing any such agent, shall be sufficient for any purpose of this Master Indenture and (subject to Section 701) conclusive in favor of the Master Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the person executing the same, may also be proved in any other manner which the Master Trustee deems sufficient.

(c) The ownership of Notes shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by any Note Holder shall bind every holder of any Note issued upon the transfer thereof or

in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Master Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Note.

(e) The ownership of Related Bonds may be proved by the registration books for such Related Bonds maintained pursuant to the Related Bond Indenture.

(f) In determining whether the holders of the requisite aggregate principal amount of Notes have concurred in any demand, direction, request, notice, consent, waiver or other action under this Master Indenture, or for any other purpose of this Master Indenture, Notes or Related Bonds that are owned by the Company shall be disregarded and deemed not to be Outstanding or outstanding under the Related Bond Indenture, as the case may be, for the purpose of any such determination, provided that for the purposes of determining whether the Master Trustee shall be protected in relying on any such direction, consent or waiver, only such Notes or Related Bonds which the Master Trustee has actual notice or knowledge are so owned shall be so disregarded and deemed not to be Outstanding Notes or Related Bonds. Outstanding Notes or Related Bonds so owned that have been pledged in good faith may be regarded as Outstanding or outstanding under the Related Bond Indenture, as the case may be, for purposes of this Section, if the pledgee shall establish to the satisfaction of the Master Trustee the pledgee's right to vote such Notes or Related Bonds. In case of a dispute as to such right, any decision by the Master Trustee taken upon the advice of counsel shall be full protection to the Master Trustee. In the event that a Note secures the obligation of a Person under an agreement or instrument that provides for the making of advances to or on behalf of such Person, such Note shall only be counted to be Outstanding in a principal amount equal to the amount so advanced or otherwise due and owing under the terms of such agreement (and only if such amount remains outstanding or unpaid) to or on behalf of such Person. In the event that a Note secures a Financial Products Agreement, such Note shall only be deemed to be Outstanding in a principal amount equal to any amount with which the Company is in default with respect to the payment thereof. In no event, however, shall the amount owed to a Note Holder be counted twice because there are the same amounts due and owing under two Notes relating to the same obligations (e.g., the principal amount reimbursable to the provider of a liquidity facility as the holder of bonds purchased by such liquidity provider as well as the principal amount of such purchased bonds by such liquidity provider as holder of the purchased bonds).

(g) At any time prior to (but not after) the time the Master Trustee takes action in reliance upon evidence, as provided in this Section 103, of the taking of any action by the holders of the percentage in aggregate principal amount of Notes specified herein in connection with such action, any holder of such Note or Related Bond that is shown by such evidence to be included in Notes the holders of which have consented to such action may, by filing written notice with the Master Trustee and upon proof of holding as provided in this Section 103, revoke such action so far as it concerns such Note or Related Bond. Except upon such revocation or such action taken by the holder of a Note or Related Bond in any direction, demand, request, waiver, consent, vote or other action of the holder of such Note or Related Bond which by any provision hereof is required or permitted to be given shall be conclusive and binding upon such Note Holder and upon all future Note Holders and owners of such Note or Related Bond, and of any Note or Related Bond issued in lieu thereof, whether or not any notation in regard thereto is made upon such Note or Related Bond. Any action taken by the holders of the percentage in aggregate principal amount

of Notes specified herein in connection with such action shall be conclusively binding upon the Company, the Master Trustee and the holders of all of such Notes or Related Bonds.

Section 104. Notices, etc., to Master Trustee and Company. Any request, demand, authorization, direction, notice, consent, waiver or Action of Note Holders or other document provided or permitted by this Master Indenture to be made upon, given or furnished to, or filed with:

(1) the Master Trustee by any Note Holder or by any specified Person shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with and actually received by a Responsible Officer of the Master Trustee at 3070 Bristol Street, Suite 300, Costa Mesa, California 92626 Attention: Corporate Trust Services, Phone (657) 678-8834, email: jeanie.mar@umb.com, or at any other address subsequently furnished in writing to the Company and the Note Holders by the Master Trustee;

(2) the Company by any Note Holder or by any Person shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to Logos Preparatory Academy, 13303 Southwest Freeway, Sugar Land, Texas 77478, Phone: (281) 565-6467, Attention: Head of School, email: tammy.mcilvoy@logosprep.org, or at any other address subsequently furnished in writing to the Master Trustee by the Company.

Section 105. Notices to Note Holders; Waiver. Where this Master Indenture provides for notice to Note Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Note Holder affected by such event, at such Note Holder's address as it appears on the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the first giving of such notice. In any case where notice to Note Holders is given by mail, neither the failure to mail such notice, nor any default in any notice so mailed to any particular Note Holder shall affect the sufficiency of such notice with respect to other Note Holders. Where this Master Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Note Holders shall be filed with the Master Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 106. Successors and Assigns. All covenants and agreements in this Master Indenture by the Company and the Master Trustee shall bind their respective successors and assigns, whether so expressed or not.

Section 107. Entire Agreement; Severability Clause. This Master Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understanding; oral or written. If any provision of this Master Indenture shall be held or deemed to be, or shall in fact be, inoperative or unenforceable as applied to any particular case in any jurisdiction or jurisdictions, or in all jurisdictions or in all cases because of the conflicting of any provision with any constitution or statute or rule of public policy or for any other reasons, such circumstance shall not have the effect of rendering the provision or provisions in question inoperative or unenforceable in any other jurisdiction or in any other case or circumstance or of rendering any other provision or provisions

herein contained invalid, inoperative or unenforceable to the extent that such other provisions are not themselves actually in conflict with such constitution, statute or rule of public policy.

Section 108. Benefits of Master Indenture. Nothing in this Master Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto, and their successors hereunder and the Note Holders, any benefit or any legal or equitable right, remedy or claim under this Master Indenture.

Section 109. Governing Law; WAIVER OF TRIAL BY JURY. This Master Indenture shall be governed in all respects, including validity, interpretation and effect by, and shall be enforceable in accordance with, the laws of the State. EACH OF THE PARTIES HERETO HEREBY WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS MASTER INDENTURE.

Section 110. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

ARTICLE II

ISSUANCE AND FORM OF NOTES

Section 201. Series, Amount and Denomination of Notes.

(a) At any time and from time to time after the execution and delivery of this Master Indenture, Notes shall be issued under this Master Indenture in series issued pursuant to a Supplemental Master Indenture. Each series shall be designated to differentiate the Notes of such series from the Notes of any other series. Notes shall be issued as fully registered notes with the Notes of each series to be lettered and numbered R-1 upwards (with such prefix as may be designated in the Supplemental Master Indenture authorizing any series). The aggregate principal amount of Notes of each series that may be created under this Master Indenture is not limited, except by the additional Debt limitations provided in this Master Indenture. A series of Notes may consist of a single Note or more than one Note.

(b) Notes may be issued hereunder to evidence (i) any type of Debt, including without limitation any Debt in a form other than a promissory note (such as commercial paper, bonds, or similar debt instruments), (ii) any obligation to make payments pursuant to a Financial Products Agreement, or (iii) debt consisting of an obligation to reimburse payments made under a letter of credit, surety bond, bond insurance policy, standby bond purchase agreement or similar credit or liquidity support obtained to secure payment of other Debt. The Supplemental Master Indenture pursuant to which any Notes are issued may provide for such supplements or amendments to the provisions hereof, including without limitation Article II hereof, as are necessary to permit the issuance of such Notes hereunder. Any Note evidencing obligations under a Financial Products Agreement shall be equally and ratably secured hereunder with all other Notes issued hereunder, except as otherwise expressly provided herein; provided, however, that (i) to be secured hereunder, the Master Trustee must receive, at the time of execution and delivery of such Financial Products Agreement, an Officer's Certificate stating that such Financial Products Agreement was entered

into by the Company with a Qualified Provider, as provided hereunder, and is entitled to the benefits of this Master Indenture and (ii) such Note, with respect to such Financial Products Agreement, shall be deemed to be Outstanding hereunder solely for the purpose of receiving payment hereunder and the Qualified Provider shall not be entitled to exercise any rights of a Note Holder hereunder unless amounts payable by the Company are due and unpaid.

Section 202. Conditions to Issuance of Notes. Any Note or series of Notes shall be authenticated by the Master Trustee and delivered to the Note Holder only upon its receipt of the following:

(a) An Officer's Certificate stating (1) that no Event of Default under this Master Indenture has occurred or will result from the issuance of such Note or series of Notes; (2) that the Governing Body has authorized or approved the issuance of such Note or series of Notes; and (3) that the Supplemental Master Indenture relating thereto authorizes such Debt and that such Supplemental Master Indenture complies with the provisions of Article VIII hereof;

(b) An original executed counterpart of a Supplemental Master Indenture providing for the issuance of such Note or series of Notes; such Supplemental Master Indenture shall set forth the purpose for which the Debt evidenced thereby is being incurred, the principal amount, maturity date or dates, interest rate or rates and the other pertinent terms of the Note or series of Notes and the name of the Company;

(c) If the Note is being issued to evidence Debt for the acquisition of an interest in real property, a Deed of Trust with respect thereto;

(d) An Opinion of Counsel to the effect that (1) the conditions to issuance of any particular Note or series of Notes set forth in this Section 202 and in Section 212 (except, with respect to the Section 212, in connection with the Series 2026 Note) of this Master Indenture have been satisfied, (2) upon the execution of such Note or series of Notes by the Company and the authentication thereof by the Master Trustee, such Note or series of Notes will be the valid and binding obligations of the Company enforceable in accordance with its (their) terms, subject to the customary bankruptcy, insolvency and equitable principles exceptions and such other exceptions as may be acceptable to the initial payee thereof, (3) registration of such Note or series of Notes under the Securities Act of 1933, as amended, is not required, or, if such registration is required, that the Company has complied with all applicable provisions of said Act, and (4) qualification of this Master Indenture and any Supplemental Master Indenture providing for the issuance of such Note or series of Notes under the Trust Indenture Act of 1939, is not required, or if such qualification is required, that the Company has complied with all applicable provisions; and

(e) If in connection with the issuance of additional Debt, any other certificate, report or other item required under Section 212.

Section 203. Execution, Authentication and Delivery.

(a) Notes shall be executed by the Company through an Authorized Representative and may be attested to by the secretary or an assistant secretary of the Company or any officer of the Company authorized in the Supplemental Master Indenture, as appropriate, and Notes may have

the corporate seal impressed or reproduced thereon. The signature of any officer on the Notes may be manual or facsimile.

(b) Notes bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes.

(c) At any time, and from time to time, after the execution and delivery of this Master Indenture, the Company may deliver executed Notes to the Master Trustee together with the Supplemental Master Indenture creating such series; and upon the receipt of the Supplemental Master Indenture, the Master Trustee shall authenticate and deliver such Notes as provided in this Master Indenture and the relevant Supplemental Master Indenture.

(d) No Note shall be entitled to any benefit under this Master Indenture or be valid or obligatory for any purpose, unless there appears on or attached to such Note a certificate of authentication substantially in the form set forth below executed by the Master Trustee by its manual or electronic signature, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder. The form of certificate of authentication shall be as follows:

CERTIFICATE OF AUTHENTICATION

This is one of the Notes referred to in the Master Indenture.

Date of Authentication:

UMB Bank, National Association, as Master
Trustee

By: _____
Authorized Signature

Section 204. Form and Terms of Notes. The Notes of each series of Notes shall contain such terms, and be in substantially the form set forth in the Supplemental Master Indenture creating such series, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Master Indenture and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any regulatory body, or as may, consistently herewith, be determined by the officers executing such Notes, as evidenced by their signing of the Notes. The Notes of any series or the relevant Supplemental Master Indenture may contain additional (or different) representations, warranties, covenants, defaults and remedies and other provisions which do not contradict the terms of this Master Indenture, to the extent provided in the related Supplemental Master Indenture, and such additional terms shall supplement and be in addition to the terms of this Master Indenture. Unless the Notes of a series have been registered under the Securities Act

of 1933, each Note of such series shall be endorsed with a legend which shall read substantially as follows: “This Note has not been registered under the Securities Act of 1933.”

Section 205. Registration, Transfer and Exchange.

(a) The Company shall cause to be kept at the Corporate Trust Office of the Master Trustee, a register (sometimes herein referred to as the “**Note Register**”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and of transfers of Notes. The Master Trustee is hereby appointed Note Registrar (the “**Note Registrar**”) for the purpose of registering Notes and transfers of Notes as herein provided. The Master Trustee may delegate any of its duties hereunder pursuant to the terms of a Supplemental Master Indenture. In such case, the Note Register may consist of one or more records of ownership of the various series of Notes and any part of such register may be maintained by the agent of the Master Trustee relating to such series.

(b) Upon surrender for transfer of any Note at the office or agency of the Company in a Place of Payment, the Company shall execute, and the Master Trustee or its designated agent shall authenticate and deliver, in the name of the designated transferee, one or more new Notes of any Authorized Denominations, of a like aggregate principal amount, series, Stated Maturity and interest rate.

(c) At the option of the Note Holder, Notes may be exchanged for Notes of any Authorized Denomination, of a like aggregate principal amount, series, Stated Maturity and interest rate, upon the surrender of the Notes to be exchanged at such office or agency. Whenever any Notes are so surrendered for exchange, the Master Trustee or its designated agent shall authenticate and deliver the Notes which the Note Holder making the exchange is entitled to receive.

(d) All Notes issued upon any transfer or exchange of Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Master Indenture as the Notes surrendered upon such transfer or exchange.

(e) Every Note presented or surrendered for transfer or exchange shall (if so required by the Company or the Master Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Master Trustee or its designated agent duly executed by the holder thereof or his attorney duly authorized in writing.

(f) No charge shall be made for any transfer or exchange of Notes, and any transfer or exchange of Notes shall be made without expense or without charge to Note Holders.

Section 206. Mutilated, Destroyed, Lost and Stolen Notes.

(a) If (i) any mutilated Note is surrendered to the Master Trustee or the Paying Agent, and the Master Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, and (ii) there is delivered to the Master Trustee such security or indemnity as may be required by the Master Trustee to save each of the Master Trustee and the Company harmless, then, in the absence of notice to the Company or the Master Trustee that such Note has been acquired by a bona fide purchaser, the Company shall execute and, upon its request, the Master Trustee shall

authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a new Note of like tenor, series, interest rate and principal amount, bearing a number not contemporaneously outstanding.

(b) In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company may, in its discretion, instead of issuing a new Note, pay such Note.

(c) Upon the issuance of any new Note under this Section, the Master Trustee or its designated agent under any Supplemental Master Indenture may require the payment by the Company of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Master Trustee) connected therewith.

(d) Every new Note issued pursuant to this Section in lieu of any destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all the benefits and security of this Master Indenture equally and proportionately with any and all other Notes duly issued hereunder.

(e) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 207. Method of Payment of Notes.

(a) The principal of, premium, if any, and interest on the Notes shall be payable in any currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal, premium, if any, and interest shall be payable at the designated payment office of the Master Trustee, or at the office of any alternate Paying Agent or agents named in any such Notes. Unless contrary provision is made in the Supplemental Master Indenture pursuant to which such Note is issued or the election referred to in the next sentence is made, payment of the interest on the Notes and payment of any redemption or prepayment price on any Note pursuant to Section 303 hereof shall be made to the Person appearing on the Note Register as the Note Holder and shall be paid by check or draft mailed to the Note Holder at his address as it appears on such registration books or at such other address as is furnished to the Master Trustee in writing by the Note Holder; provided, however, that any Supplemental Master Indenture creating any Note may provide that interest on such Note may be paid, upon the request of the Note Holder, by wire transfer to an account located in the United States. Anything to the contrary in this Master Indenture notwithstanding, if an Event of Default has not occurred and is not continuing hereunder and the Company so elects or is required, payments on a Note shall be made directly by the Company, by check or draft hand delivered to the Note Holder or its designee or shall be made by the Company by wire transfer to the Note Holder, in either case delivered on or prior to the date on which such payment is due. The Company may give notice (on which the Master Trustee may conclusively rely) of any such payment to the Master Trustee concurrently with the making thereof, specifying the amount paid and identifying

the Note or Notes with respect to which such payment was made by series designation, number and the Note Holder. Except with respect to Notes directly paid, the Company agrees to deposit with the Master Trustee on or prior to each due date, as specified in the Related Bond Documents, a sum sufficient to pay the principal of, premium, if any, and interest on any of the Notes due on such date. Such moneys shall be held in trust exclusively for the holder of the Note for which such payment is intended to be made. Any such moneys shall, upon direction of the Company set forth in an Officer's Certificate, be invested as set forth therein. The foregoing notwithstanding, amounts deposited with the Master Trustee to provide for the payment of Notes pledged to the payment of Related Bonds shall be invested in accordance with the provisions of the Related Bond Indenture and Related Loan Document. The Master Trustee shall not be liable or responsible for any loss resulting from any such investments, and shall not be responsible for determining whether any such investment is permitted hereunder or in accordance with any such Related Bond Indenture or Related Loan Agreement.

(b) Subject to the foregoing provisions of this Section 207, each Note delivered under this Master Indenture upon transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Notes.

Section 208. Persons Deemed Owners. The Company, the Master Trustee and any agent thereof shall treat the Person in whose name any Note is registered as the owner of such Note for the purpose of receiving payment of principal of (and premium, if any) and interest on such Note and for all other purposes whatsoever whether or not such payment is past due, and neither the Company, the Master Trustee, nor any agent of the Company or the Master Trustee shall be affected by notice to the contrary.

Section 209. Cancellation. All Notes surrendered for payment, redemption, transfer or exchange shall, if delivered to any Person other than the Master Trustee, be delivered to the Master Trustee and, if not already cancelled or required to be otherwise delivered by the terms of the Supplemental Master Indenture authorizing the series of Notes of which such Note is a part, shall be promptly cancelled by the Master Trustee. The Company may at any time deliver to the Master Trustee for cancellation any Notes previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly cancelled by the Master Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes cancelled as provided in this Section, except as expressly permitted by this Master Indenture. All cancelled Notes held by the Master Trustee shall be disposed of according to the retention policies of the Master Trustee.

Section 210. Security for Notes.

(a) Except as otherwise expressly provided herein or in any Supplemental Master Indenture, all Notes issued and Outstanding under this Master Indenture shall be equally and ratably secured by the pledge and assignment of a security interest in the Trust Estate pursuant to the Granting Clauses of this Master Indenture; provided, however, any one or more series of Notes or obligations issued hereunder may be secured by additional and separate security (including without limitation letters or lines of credit, property or security interests in debt service reserve funds or debt service, purchase, construction or similar funds or guarantees of payment by third parties). Such security need not extend to any other Debt (including any other Notes or series of

Notes) unless so specified and may contain provisions not inconsistent with this Master Indenture which provide for separate realization upon such security.

(b) To the extent that any Debt which is permitted to be issued pursuant to this Master Indenture is not issued directly in the form of a Note, a Note may be issued hereunder and pledged as security for the payment of such Debt in lieu of directly issuing such Debt as a Note hereunder.

Section 211. Mortgage, Pledge and Assignment; Further Assurances.

(a) Subject only to the provisions of this Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein and in order to secure the payment of the Notes and the performance of the duties and obligations of the Company under the Notes and this Master Indenture, the Company has pledged and assigned unto the Master Trustee and its successors and assigns forever, and granted a security interest thereunto in, among other things, all of the Gross Revenues and any other amounts (including proceeds of the sale of Bonds) held in the Revenue Fund to secure the payment of the principal of and interest on the Notes in accordance with their terms and the provisions of this Master Indenture and any Deed of Trust. Said pledge, assignment and grant shall constitute a lien on and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery of the Notes and the execution of the Deposit Account Control Agreement and the Deed of Trust, without any physical delivery thereof or further act.

In order to perfect the Master Trustee's security interest in the Gross Revenues as security for the payment of the Notes, the Master Trustee is authorized and directed to enter into prior to the issuance of any Note hereunder, and shall be indemnified for (pursuant to Article VII hereof), a Deposit Account Control Agreement; provided, that the Master Trustee shall have no duty or responsibility to determine the existence of, or the necessity of perfecting any security interest of the Master Trustee in, any fund or account in which the Master Trustee has been granted a security interest, including without limitation, as described in Granting Clause (b) of this Master Indenture.

Upon the occurrence and continuance of an Event of Default, the Master Trustee, subject to its rights to be indemnified pursuant to Article VII, (i) may, or shall, at the written direction of the holders of not less than 25% in principal amount of the Notes Outstanding, issue a Notice of Exclusive Control under the Deposit Account Control Agreement and (ii) collect and receive Gross Revenues in an amount equal to amounts covered under this Master Indenture to which the Event of Default has occurred; provided, however, when such Event of Default has been terminated or cured, as provided in Section 617, the Master Trustee shall provide written notice to the parties to the Deposit Account Control Agreement, that exclusive control of the account(s) described therein has been restored to the Company. The Master Trustee also shall be entitled to and shall (1) enforce the terms, covenants and conditions of, and preserve and protect the priority of its interest in and under this Master Indenture and any Deed of Trust and (2) monitor compliance with all covenants, agreements and conditions of the Company contained in this Master Indenture with respect to the Gross Revenues; provided that, without limiting the generality of any of the provisions of this Master Indenture or the Deed of Trust, the Master Trustee need not foreclose any Deed of Trust (or accept a deed in lieu of foreclosure or otherwise exercise remedies with respect to the Mortgaged Property, as such term is defined in the Deed of Trust) if the effect of

any such foreclosure (or acceptance of a deed in lieu of foreclosure, or other exercise of remedies with respect to the Mortgaged Property) would be to cause the Master Trustee to: (i) incur financial liability for any then existing environmental contamination at or from the Mortgaged Property or (ii) risk its own funds for the remediation of any such existing environmental contamination.

(b) The Company shall, at its own expense, take all necessary action to maintain and preserve the lien and security interest in the property granted by this Master Indenture and any Deed of Trust so long as any Notes are Outstanding. In addition, the Company shall, immediately after the execution and delivery of this Master Indenture and thereafter from time to time, cause any such Deed of Trust and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to fully perfect and protect such security interest and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed and filed as provided herein any and all continuation statements as required for such perfection and protection. Copies of all filings and recordings hereunder shall be promptly filed with the Master Trustee. Except to the extent it is exempt therefrom, the Company shall pay or cause to be paid all filing, registration and recording fees and all expenses incident to the preparation, execution and acknowledgment of such instruments of perfection, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Deed of Trust and such instruments of perfection. The Master Trustee shall not be responsible for the sufficiency of or the recording of this instrument, any supplemental indenture, any mortgage, Deed of Trust, other security or other instruments of further assurance.

The Master Trustee shall file such continuation statements required to maintain the perfection and priority of the security interests granted to the Master Trustee as secured party or assignee of the secured party, provided recorded copies of the original financing statements have been provided to the Master Trustee.

(c) The Company has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the collateral granted hereunder that ranks on a parity with or prior to the lien granted hereunder that will remain outstanding on the Closing Date. The Company has not described the collateral described hereunder in a UCC financing statement that will remain effective on the Closing Date except as expressly permitted by the Bond Documents. The security interest granted hereunder is and shall be prior to any judicial lien hereafter imposed on such collateral to enforce a judgment against the Company on a simple contract.

(d) The Company covenants and agrees to deposit or cause to be deposited all Gross Revenues into the account (or accounts) that is subject to a Deposit Account Control Agreement hereunder. The Company may terminate a Deposit Account Control Agreement provided, that prior to such termination, the Company shall, first, enter into another Deposit Account Control Agreement for a separate depository account and, second, transfer all Gross Revenues on deposit in the existing account to the new depository account that is the subject of such new Deposit Account Control Agreement.

Section 212. Additional Debt. The Company covenants not to issue or incur Debt except as permitted in this Section 212, and so long as no Event of Default has occurred and is continuing under this Master Indenture.

(a) Long-Term Debt. Upon satisfaction of the applicable requirements of Section 202, the Company reserves the right to issue and incur one or more series of parity Long-Term Debt pursuant to this Master Indenture if the following conditions are met:

(1) Additional Debt Coverage. Sufficient funds must be evidenced as follows:

(A) Historical Coverage on Outstanding Debt. Delivery of an Officer's Certificate stating that, for either the Company's most recently completed Fiscal Year preceding the issuance of the additional Debt, the Debt Service Coverage Ratio was at least 1.10 to 1.00; and

(B) Projected Coverage for Additional Debt. Delivery of a certificate of a Management Consultant or certified public accountant selected by the Company setting forth projections that indicate that the Debt Service Coverage Ratio will be equal to at least 1.20 to 1.00 for each of the three consecutive full Fiscal Years beginning in the later of the first full Fiscal Year following the estimated date of completion and initial use of all revenue-producing facilities in the Related Project to be financed with such Additional Debt and the first full Fiscal Year following the cessation of interest capitalization, based upon a certified written estimated completion date by the consulting engineer for such Related Project.

The report shall take into account, as applicable (i) the audited results of operations and verified enrollment of the Related Project for the most recently completed Fiscal Year and (ii) the projected enrollment for the Fiscal Year immediately following the completion of the Related Project, and shall assume that the proposed additional Debt shall have been outstanding for the entire year.

(2) Title Insurance. So long as any Debt is secured by the lien of a Deed of Trust upon any real property of the Company, the Company shall obtain and provide to the Master Trustee a new title insurance policy or an endorsement of the title insurance policy, if permitted by the laws of the State, issued in connection with the Debt increasing the coverage thereunder by an amount equal to the aggregate principal amount of the additional Debt which is secured by the Deed of Trust.

The satisfaction of the conditions set forth in paragraphs (1) and (2) above shall be evidenced to the Master Trustee. The Master Trustee may rely, and (subject to Section 701) shall be fully protected in relying upon, a closing certificate executed by an Authorized Representative certifying as to compliance with items (1) and (2).

(b) Refunding. If additional Debt is being issued for the purpose of refunding any Outstanding Debt, the reports required to be delivered under Section 212(a)(1) or Section 212(a)(2) shall not be required so long as both the total and Maximum Annual Debt Service Requirements on all Outstanding Debt after issuance of the additional Debt will not exceed both the total and the Maximum Annual Debt Service Requirements on all Outstanding Debt prior to the issuance of such additional Debt.

(c) Short-Term Debt. The Company reserves the right to issue and incur Short-Term Debt in an amount not to exceed 25% percent of Gross Revenues.

(d) Subordinate Debt. The Company reserves the right to incur Subordinate Debt without limitation. Such Subordinate Debt may be secured by a subordinate lien on all or any portion of the Trust Estate or may be unsecured.

(e) Separate Debt. The Company reserves the right to incur Debt that is not secured by a lien on the Trust Estate without limitation and such Debt shall not be subject to this Section 212. Such Debt may be secured by a lien on all or any portion of assets financed therewith.

(f) Initial Note. The Series 2026 Note shall not be subject to the provisions of this. Section 212.

Section 213. Insurance. (a) The Company shall at all times keep and maintain its properties and facilities insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with the operation of facilities of the type and size comparable to the Related Project and consistent with the requirements of State law. Subject to subsection (c) hereof, the Company shall carry and maintain, or cause to be carried and maintained, and pay or cause to be paid timely the premiums for, at least the following:

(1) property insurance for buildings and contents of all Related Projects in an amount not less than the replacement cost of the Related Project (without depreciation), subject to a deductible of not-to-exceed \$100,000; provided that the deductible applicable to damage from wind and/or hail may be up to three percent of the claim amount;

(2) during the course of any construction, reconstruction, remodeling or repair of the Related Project, builders' all risk extended coverage insurance (non-reporting Completed Value with Special Cause of Loss form) in amounts based upon the completed replacement value of the Related Project and insurance coverage for lost gross revenues due to damage or destruction of the Related Project prior to construction in an amount sufficient to provide temporary or interim facilities and equipment during the period of replacement or repair of the damaged or destroyed facility, and endorsed to provide that occupancy by any Person shall not void such coverage;

(3) general liability insurance and automobile liability insurance against claims arising in, on or about the Related Project, including in, on or about the sidewalks or premises adjacent to the Related Project, providing coverage limits not less than \$1,000,000 per occurrence and \$2,000,000 in aggregate;

(4) comprehensive professional liability insurance;

(5) worker's compensation insurance as required by the laws of the State;

(6) cyber liability insurance;

(7) business interruption insurance coverage for the loss, total or partial, of the use of the Related Project due to damage or destruction insured against pursuant to

paragraphs (1) and (2) above, to the extent such coverage is commercially available at a reasonable cost (as determined by the Governing Body of the Company); and

(8) flood insurance for a Related Project if it is ever determined that any structure within the Related Project is located in a Special Flood Hazard Area (as defined by federal regulations) in an amount not less than the replacement cost of the affected structure or structures.

(b) Insurers and Policies. Each insurance policy required by subparagraph (a) above (i) shall be issued or written by such insurer (or insurers), or by an insurance fund established by the United States or State or an agency or instrumentality thereof unless such insurance is not otherwise available on commercially reasonable terms from an insurer rated at least “A-” or equivalent by S&P, Moody’s or Fitch, or “Excellent (A or A-)” by A.M. Best, (ii) shall be in such form and with such provisions as are generally considered standard provisions for the type of insurance involved, and (iii) shall name the Master Trustee as additional insured or loss payee, as applicable. Such policies or certificates of insurance shall provide that the insurer will provide 30 days’ written notice to the Master Trustee of any amendment or cancellation prior to expiration of such policy.

(c) Insurance Consultant. At least once every five years, from and after March 1, 2031, the Company shall retain an Independent Insurance Consultant, for the purpose of reviewing the insurance coverage of, and the insurance required for, the Company and the facilities and making recommendations respecting the types, amounts and provisions of insurance that should be carried with respect to the Company and the facilities and their operation, maintenance and administration. The insurance requirements of Section 213(a) and this subsection (c) shall be deemed modified or superseded as necessary to conform with the recommendations contained in said report to the extent the report recommends additional or increased coverage.

(d) Insurance Certifications. The Company shall, within 180 days after the end of each Fiscal Year and promptly upon any request by the Master Trustee, submit to the Master Trustee an Officer’s Certificate verifying that all insurance required by this Master Indenture is in full force and effect as of the date of such Officer’s Certificate. The Master Trustee shall have no responsibility for monitoring the existence of or maintaining any insurance policies other than to receive the certificate required by this Section 213(d).

ARTICLE III

REDEMPTION OR PREPAYMENT OF NOTES

Section 301. Redemption or Prepayment. Notes of each series shall be subject to optional and mandatory redemption or prepayment (subject to Section 602) in whole or in part and may be redeemed prior to Stated Maturity only as provided in the Supplemental Master Indenture creating such series. Unless otherwise provided by the Supplemental Master Indenture creating a series of Notes, the provisions of Section 302 through Section 305 of this Master Indenture shall also apply to the redemption of Notes.

Section 302. Election to Redeem or Prepay; Notice to Master Trustee. The Company shall notify the Master Trustee in writing of the election by the Company to redeem or prepay all

or any portion of the Notes of any series, together with the redemption or prepayment date and the principal amount of Notes of each Stated Maturity and series to be redeemed or prepaid, at least forty-five (45) days prior to the redemption or prepayment date fixed by the Company, unless a shorter notice shall be satisfactory to the Master Trustee.

Section 303. Deposit of Redemption or Prepayment Price. Prior to any redemption or prepayment date, the Company shall deposit with the Master Trustee or its designated agent an amount of money sufficient to pay the redemption or prepayment price of all the Notes which are to be redeemed or prepaid on such date.

Section 304. Notes Payable on Redemption or Prepayment Date.

(a) Notice of redemption or prepayment having been given as aforesaid, and the monies for redemption or prepayment having been deposited as described in Section 303, the Notes to be redeemed or prepaid shall become due and payable on the redemption or prepayment date at the redemption or prepayment price therein specified, and from and after such date such Notes shall cease to bear interest. Upon surrender of any such Note for redemption or prepayment in accordance with said notice, such Note shall be paid by the Company at the redemption or prepayment price. Installments of interest whose Stated Maturity is on or prior to the redemption date shall be payable to the registered Note Holders on the relevant Record Dates according to their terms.

(b) If any Note called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption or prepayment date at the rate borne by the Note.

Section 305. Notes Redeemed or Prepaid in Part. Any Note which is to be redeemed or prepaid only in part shall be surrendered at a Place of Payment (with, if the Company or the Master Trustee so requires, due endorsement by, or a written instrument of transfer satisfactory in form to, the Company and the Master Trustee, and duly executed by the Note Holder or by his attorney who has been duly authorized in writing) and the Company shall execute and the Master Trustee shall authenticate and deliver without service charge a new Note or Notes of the same series, interest rate and maturity, and of any Authorized Denomination, to the Note Holder as requested by such Note Holder in aggregate principal amount equal to and in exchange for the unredeemed or unpaid portion of the principal of the Note so surrendered.

ARTICLE IV

COVENANTS OF THE COMPANY

Section 401. Payment of Debt Service. The Company unconditionally and irrevocably covenants that it will promptly pay the principal of, premium, if any, and interest and any other amount due on every Note issued under this Master Indenture at any time at the place, on the dates and in the manner provided in said Notes according to the true intent and meaning thereof. Notwithstanding any schedule of payments upon the Notes set forth in the Notes, the Company unconditionally and irrevocably covenants and agrees to make payments upon each Note and be liable therefor at the times and in the amounts (including principal, interest and premium, if any) equal to the amounts to be paid as interest, principal at maturity or by mandatory sinking fund

redemption, or premium, or purchase price, if any, upon any Notes or Related Bonds from time to time Outstanding.

Section 402. Money for Note Payments to be Held in Trust; Appointment of Paying Agents.

- (a) The Company may appoint a Paying Agent for each series of the Notes.
- (b) Each such Paying Agent appointed by the Company shall be (i) a corporation organized and doing business under the laws of the United States of America or of any state, (ii) authorized under such laws to exercise corporate trust powers, (iii) have a combined capital and surplus of at least \$50,000,000, and (iv) be subject to supervision or examination by federal or state authority.
- (c) Subject to Section 207 hereof, the Company will, on or prior to each due date of the principal of (and premium, if any) or interest or any other amounts on any Notes, deposit with the Master Trustee which shall thereupon deposit such with the Paying Agent, a sum sufficient to pay the principal (and premium, if any) or interest or purchase price so becoming due and any other amounts due in accordance with the terms of the Notes and this Master Indenture, such sum to be held in trust for the benefit of the Note Holders, and the Company will promptly notify the Master Trustee of its action or failure so to act unless such Paying Agent is the Master Trustee.
- (d) The Company will cause each Paying Agent other than the Master Trustee to execute and deliver to the Master Trustee an instrument in which such Paying Agent shall agree with the Master Trustee, subject to the provisions of this subsection, that such Paying Agent will
 - (1) hold all sums held by it for the payment of principal of (and premium, if any) or interest or any other amounts on the Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;
 - (2) give the Master Trustee notice of any default by the Company or any other obligor upon the Notes in the making of any such payment of principal (and premium, if any) or interest or any other amounts; and
 - (3) upon request by the Master Trustee, pay to the Master Trustee all sums so held in trust by such Paying Agent forthwith at any time during the continuance of such default.
- (e) For the purpose of obtaining the satisfaction and discharge of this Master Indenture or for any other purpose, the Company may at any time by Order direct any Paying Agent to pay to the Master Trustee all sums held in trust by such Paying Agent, such sums to be held by the Master Trustee upon the same trusts as those upon which such sums were held by such Paying Agent. Upon such payment by any Paying Agent to the Master Trustee, such Paying Agent shall be released from all further liability with respect to such money.
- (f) Subject to applicable escheat laws of the State, and provided that no Event of Default has occurred and is continuing hereunder, any money deposited in trust with the Master

Trustee or any Paying Agent for the payment of the principal of (and premium, if any) or interest on any Notes and remaining unclaimed for the later of (i) the first anniversary of the Stated Maturity of the Notes or the installment of interest for the payment of which such money is held or (ii) two years after such principal (and premium, if any) or interest has become due and payable shall to the extent permitted by law be paid to the Company on its Request (which Request shall include the Company's representation that it is entitled to such funds under applicable escheatment laws and its agreement to comply with such laws) and the Note Holder shall thereafter, to the extent of any legal right or claim, be deemed to be an unsecured general creditor, and shall look only to the Company for payment thereof, and all liability of the Master Trustee or such Paying Agent with respect to such trust money, and all liability of the Company, shall thereupon cease; provided, however, that the Master Trustee or such Paying Agent, before being required to make any such repayment, shall, at the written direction of the Company, publish notice in an Authorized Newspaper at the expense of the Company that such money remains unclaimed and that, after a date specified therein, which shall not be less than thirty (30) days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company; provided further, notwithstanding the foregoing, the Master Trustee shall be entitled to deliver any such funds to any escheatment authority in accordance with the Master Trustee's customary procedures. The Master Trustee shall hold any such funds in trust uninvested (without liability for interest accrued after the date of deposit or other compensation) for the benefit of Note Holders entitled thereto.

Section 403. Notice of Non-Compliance. Promptly upon the discovery of any default, the Company will deliver to the Master Trustee a written statement describing each default and status thereof which has not been cured or waived under any Note. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default.

Section 404. Corporate Existence. Subject to Section 501 and Section 502, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights, and franchises; provided, however, that the Company shall not be required to preserve any right or franchise if the Governing Body shall determine that the preservation thereof is no longer desirable in the conduct of its business and that the loss thereof is not disadvantageous in any material respect to the Note Holders.

Section 405. Revenue Fund.

(a) There is hereby created by the Company and established with the Master Trustee the special fund of the Company designated the "Logos Preparatory Academy Revenue Fund" (herein referred to as the "**Revenue Fund**"). The Revenue Fund shall contain a principal account (the "**Principal Account**") and an interest account (the "**Interest Account**") and such other accounts or subaccounts as the Master Trustee finds necessary or desirable; *provided, however*, that the Master Trustee shall have no duty to establish and maintain the Revenue Fund prior to the occurrence and continuance of an Event of Default. The money deposited to the Revenue Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this Section and in Section 606. In the event of any Act of Bankruptcy by the Company, the Company has no right to assert, claim or contend that any portion of the Revenue Fund is property of its bankruptcy estate as defined by U.S.C. § 541.

(b) If, and only if, an Event of Default under Section 601(a) of this Master Indenture shall occur and continue for a period of five (5) calendar days, the Company shall, within five (5) Business Days from the date of receipt of written notice from the Master Trustee in accordance with Section 602(a) of this Master Indenture, deposit with the Master Trustee, for credit to the Revenue Fund all of its Gross Revenues, including, without limitation, amounts subject to a Deposit Account Control Agreement for which a Notice of Exclusive Control has been delivered (except to the extent otherwise provided by or inconsistent with any permitted instrument creating any mortgage, lien, charge, encumbrance, pledge or other security interest granted, created, assumed, incurred or existing) and amounts in the Operating Reserve Fund (if established under Section 411 hereof), as well as any insurance and condemnation proceeds (which in the absence of such Event of Default would be deposited and transferred pursuant to Section 406 hereof), beginning on the first day of such Event of Default thereof and on each day thereafter, until no default under this Master Indenture then exists.

(c) On the next Business Day immediately following receipt of any payments to the Master Trustee for deposit into the Revenue Fund, the Master Trustee shall withdraw and pay or deposit from the amounts on deposit in the Revenue Fund the following amounts in the order indicated:

(1) to the Master Trustee any fees or expenses of the Master Trustee (including counsel fees, costs and expenses) which are then payable;

(2) equally and ratably to the holder of each instrument evidencing a Note on which there has been a default pursuant to Section 601(a), to the extent funds are available, an amount not to exceed all defaulted principal of (or premium, if any), interest and obligations on such Note or, in the case of the acceleration of the Notes, equally and ratably to all Note Holders;

(3) a transfer to the Interest Account of an amount necessary to accumulate in equal monthly installments the interest on the Notes due and payable on the next Interest Payment Date; provided, however, that to the extent available, each transfer made on the fifth (5th) Business Day before the end of each month immediately preceding each Interest Payment Date shall be in an amount to provide, together with amounts then on deposit in the Interest Account, the balance of the interest due on the Notes on the next succeeding Interest Payment Date. There shall be paid from the Interest Account equally and ratably to the holder of each Note the amount of interest on each Note as such interest becomes due;

(4) a transfer to the Principal Account of the amount necessary to accumulate in equal monthly installments the principal of the Notes maturing or subject to mandatory sinking fund redemption on the next Principal Payment Date taking into account with respect to each such payment (i) any other money actually available in the Principal Account for such purpose and (ii) any credit against amounts due on each Principal Payment Date granted pursuant to other provisions of this Master Indenture; provided, however, that to the extent available, the transfer made on the fifth (5th) Business Day before the end of each month immediately preceding such Principal Payment Date shall be in an amount to provide, together with amounts then on deposit in the Principal Account,

the balance of the principal maturing or subject to mandatory sinking fund redemption on such Principal Payment Date. There shall be paid from the Principal Account equally and ratably to the holder of each Note the amount of principal payments due on each Note, whether at maturity or earlier mandatory redemption (other than by reason of acceleration of maturity or other demand for payment), as such principal becomes due;

(5) to the holder of any Note entitled to maintain a reserve fund for the payment of such Note, an amount sufficient to cause the balance on deposit in such reserve fund to equal the required balance in twelve (12) equal monthly installments or as otherwise in such amounts required by the applicable Related Bond Documents; and

(6) to the Company, the amount specified in a Request as the amount of ordinary and necessary expenses of the Company for its operations for the following month.

(d) Any amounts remaining on deposit in the Revenue Fund on the day following the end of the month in which all Events of Default under Section 601(a) of this Master Indenture have been cured or waived, shall be paid to the Company upon Request for deposit in a deposit account of the Company subject to the Deposit Account Control Agreement, which may be used for any lawful purpose.

(e) Pending disbursements of the amounts on deposit in the Revenue Fund, the Master Trustee shall promptly invest and reinvest such amounts in the Eligible Securities specified in any Order. In the absence of such written instructions, all such amounts shall be held uninvested as cash. The Master Trustee may conclusively rely and shall be fully protected in relying upon any Order of the Company in investing money in any Fund or account, and shall not be accountable for any depreciation in the value of the investments made in accordance with the provisions of this Article IV or for any losses incurred upon any authorized disposition thereof. All such investments shall have a maturity not greater than ninety-one (91) days from date of purchase.

(f) The Master Trustee is hereby authorized and directed to sell or redeem any such investments as it deems necessary to make any payments or distributions required under this Master Indenture. The Master Trustee shall have no responsibility or liability for any loss which may result from any investment or sale of investment made pursuant to this Master Indenture. The Master Trustee is hereby authorized, in making or disposing of any investment permitted by this Master Indenture, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Master Trustee or for any third person or dealing as principal for its own account. The parties acknowledge that the Master Trustee is not providing investment supervision, recommendations, or advice.

Section 406. Insurance and Condemnation Proceeds Fund.

(a) There is hereby created by the Company and established with the Master Trustee the special fund of the Company designated the “Logos Preparatory Academy Insurance and Condemnation Proceeds Fund” (herein referred to as the “**Insurance and Condemnation Fund**”). The Master Trustee is hereby authorized to create any accounts or subaccounts within such Insurance and Condemnation Fund as the Master Trustee finds necessary or desirable; *provided*,

however, that Master Trustee shall have no duty to establish the Insurance and Condemnation Fund prior to the first occurring receipt of proceeds under an insurance policy or a condemnation of all or a portion of any Related Project. Subject to Section 405(b) hereof, the money deposited to the Insurance and Condemnation Fund, together with all investments thereof and investment income therefrom (which investments and sale of investments shall be in the same manner as described in Section 405(e) hereof), shall be held in trust and applied solely as provided in this Section. All proceeds of the insurance carried pursuant to Sections 213(a)(1) and 213(a)(2) and proceeds of any condemnation awards with respect to any Related Project shall be paid immediately upon receipt by the Company or other named insured parties to the Master Trustee for deposit in the Insurance and Condemnation Fund.

(b) Upon receipt of any payments to the Master Trustee for deposit into the Insurance and Condemnation Fund, the Master Trustee shall transfer such amounts to the Related Bond Trustee in accordance with the Related Indenture to which such insurance or condemnation proceeds relate for use pursuant to such Related Indenture and the Related Loan Documents for such Related Project.

Section 407. Waiver of Certain Covenants. The Company may omit in any particular instance to comply with any covenant or condition set forth in Section 402 through Section 406 hereof if before or after the time for such compliance the holders of the same percentage in principal amount of all Notes then Outstanding the consent of which would be required to amend the provisions hereof to permit such noncompliance shall either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived and, until such waiver shall become effective, the obligations of the Company and the duties of the Master Trustee in respect of any such covenant or condition shall remain in full force and effect.

Section 408. Debt Service Coverage Ratio. The Company agrees to maintain a Debt Service Coverage Ratio, calculated as of the end of each Fiscal Year, of not less than 1.10 to 1.00 for each Fiscal Year commencing with the Fiscal Year ending May 31, 2026. The failure to maintain a Debt Service Coverage Ratio of 1.10 to 1.00 shall not constitute an Event of Default so long as the Company, at its sole expense, promptly engages (within 30 days of the date a certificate identifying the failure to meet the Debt Service Coverage Ratio of 1.10 to 1.00 was required to be submitted pursuant to Section 410) a Management Consultant to review and analyze the operations and administration of the Company, inspect the facilities, and submit to the Company and Master Trustee written reports, and perform such other review and analysis as necessary. The Management Consultant shall deliver its report within sixty (60) days of its retention to the Company and the Master Trustee, and such report shall make such recommendations as to the operation and administration of the Company as such Management Consultant deems appropriate, including any recommendation as to a revision of the methods of operation thereof. The Company agrees to consider any recommendations by the Management Consultant and, to the fullest extent practicable, to adopt and carry out such recommendations. Notwithstanding the above, if the Debt Service Coverage Ratio falls below 1.00 to 1.00, it shall constitute an Event of Default hereunder.

Section 409. Liquidity Requirement. (a) For so long as Related Bonds are outstanding, the Company covenants and agrees to maintain not less than seventy-five (75) Days Cash on Hand (the “**Liquidity Requirement**”) for each Fiscal Year. Such amounts will not be funded with Bond

proceeds. The Company's Liquidity Requirement shall be tested as of the end of each Fiscal Year based upon the audited Financial Statements of the Company, commencing with the Fiscal Year ending May 31, 2026. If the Company fails to maintain balances equal to the Liquidity Requirement, then, the Company shall retain, at its expense, a Management Consultant to submit a written report and make recommendations (a copy of such report and recommendations shall be filed with the Master Trustee) with respect to revenues or other financial matters of the Company which are relevant to increasing the Liquidity Requirement to equal or exceed thirty (30) days of Expenses. So long as the Company is implementing these recommendations to the extent practicable, the Company will be deemed to have complied with its covenants hereunder.

Section 410. Financial Reports; No Default Certificates; Notice of Default.

(a) The Company shall cause an annual audit of its books and accounts to be made by Independent certified public accountants and delivered to it within 180 days after the end of each Fiscal Year of the Company. The Company shall use its best commercial efforts to cause such Independent certified public accountants to make the calculations required pursuant to Sections 408 and 409 of this Master Indenture and include such calculations in the Company's annual audit for the applicable Fiscal Year. Within 30 days of the date such audit report is delivered to the Company, the Company shall deliver to the Master Trustee a certificate signed by an Authorized Representative stating that such person has reviewed the obligations of the Company under the Related Bond Documents, any Deed of Trust, the Notes, and this Master Indenture and the Related Bond Indentures and the performance of the Company hereunder and thereunder, and has consulted with such officers and employees of the Company as he deemed appropriate and necessary for the purpose of delivering such certificate, and based on such review and consultation, no Event of Default and no event which, with the giving of notice or the passage of time or both, would constitute an Event of Default has occurred and is continuing under the aforementioned documents, or describing any such Events of Default. Such certificate shall also set forth for such period the calculation of Debt Service Coverage Ratio required by Section 408 and the Liquidity Requirement required by Section 409. The Master Trustee shall have no duty to examine or independently verify any such audit reports or the matters described in any such certificate other than to examine the certificate for compliance with the required statements therein as described above, and shall have no duty to furnish such audits to any third party.

(b) The Company shall also, promptly upon receiving notice thereof, notify the Related Issuer and the Master Trustee in writing upon the occurrence of an Event of Default or any event which with the giving of notice or the passage of time or both would constitute an Event of Default hereunder or under the Notes, or the Related Loan Documents or Related Bond Documents.

Section 411. Operating Reserve Fund. The Company may establish and maintain on its books a board-designated fund known as the "Operating Reserve Fund" which may be funded, in the sole discretion of the Company, after the end of any particular Fiscal Year of the Company, with Excess Net Revenues. Amounts credited to the Operating Reserve Fund, together with all investments thereof and investment income therefrom (which investments and sale of investments shall be in the same manner as described in Section 405(e) hereof), may be used to pay operating deficits or Expenses of the Company not paid from other sources.

Section 412. Negative Pledge. The Company shall not create or allow any liens to exist on any of its property or equipment including, but not limited to, the Property and Trust Estate, except (a) as permitted by Section 212, (b) any lien in favor of the Master Trustee securing all of the Notes equally and ratably, (c) any lien described in EXHIBIT A attached hereto which is existing on the date of authentication and delivery of the initial series of Notes, including renewals thereof, provided that no such lien may be extended or modified to apply to any Property or the Trust Estate not subject to such lien on such date, unless such lien as so extended or modified otherwise is permitted hereunder, or (d) as otherwise permitted by the Deed of Trust. If any lien is filed, it shall not be an Event of Default so long as the Company promptly and continuously contests such lien to the extent permitted by Texas law.

Section 413. Approval of Management Consultant.

(a) Whenever this Master Indenture provides for the retention or engagement of a Management Consultant by the Company, such Management Consultant will be engaged in the manner as set forth herein.

(b) Upon the selection by the Company of a Management Consultant as required under the provisions of this Master Indenture, the Company will notify the Master Trustee of such selection. The Master Trustee is required to, as soon as practicable but in no case longer than five Business Days after receipt of notice, notify the holders of all Notes of such selection and request the Related Bond Trustee to notify registered holders of Related Bonds Outstanding of such selection. Such notice (the form of which shall be provided by the Company) will (i) include the name of the Management Consultant and a brief description of the Management Consultant, (ii) state the reason that the Management Consultant is being engaged including a description of the covenant(s) of this Master Indenture that require the Management Consultant to be engaged, and (iii) state that the holder of the Related Bonds Outstanding will be deemed to have consented to the selection of the Management Consultant named in such notice unless such holder submits an objection to the selected Management Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee or Related Bond Trustee within 15 days of the date that the notice is sent to the holders of the Related Bonds. No later than two Business Days after the end of the 15-day objection period, the Master Trustee is required to notify the Company of the number of objections. If 67% in interest of the aggregate principal amount of the holders of the Related Bonds Outstanding have been deemed to have consented to the selection of the Management Consultant, the Company shall engage the Management Consultant within three Business Days. If 33% in interest or more in the aggregate principal amount of the holders of the Related Bonds Outstanding have objected to the Management Consultant selected, the Company will select another Management Consultant, which may be engaged upon compliance with the procedures described herein.

Section 414. Treatment of Funds in Bankruptcy. The Company acknowledges and agrees that in the event Company commences a case under the United States Bankruptcy Code located at 11 U.S.C. § 101 et seq. (the “**Bankruptcy Code**”) or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (a) amounts on deposit in any of the funds or accounts established hereunder are not, nor shall they be deemed to be, property of Company’s bankruptcy estate as defined by § 541 of the Bankruptcy Code; (b) that in no event shall Company assert, claim or contend that amounts on deposit in any of the funds or accounts established

hereunder are property of Company's bankruptcy estate; and (c) that amounts on deposit in any of the funds or accounts established hereunder are held in trust solely for the benefit of the Note Holders, shall be applied only in accordance with the provisions of this Master Indenture and the Company has no legal, equitable nor reversionary interest in, or right to, such amounts.

ARTICLE V

CONSOLIDATION, MERGER, CONVEYANCE AND TRANSFER

Section 501. Consolidation, Merger, Conveyance, or Transfer Only on Certain Terms. In addition to any other requirements set forth in the Related Bond Documents, the Company covenants and agrees that it will not consolidate with or merge into any corporation or convey or transfer its properties substantially as an entirety to any Person, unless:

(a) all of the following conditions exist:

(1) the Person formed by such consolidation or into which the Company merges or the Person which acquires substantially all of the properties of the Company as an entirety shall be a Person organized and existing under the laws of the United States of America or any state or the District of Columbia and shall expressly assume by instrument supplemental hereto executed and delivered to the Master Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on the Notes and any other amounts due thereunder or in accordance with this Master Indenture and the performance and observance of every covenant and condition hereof on the part of the Company to be performed or observed;

(2) an Officer's Certificate shall be delivered to the Master Trustee to the effect that such consolidation, merger or transfer shall not, immediately after giving effect to such transaction, cause a default hereunder to occur and be continuing; and

(3) the Company shall have delivered to the Master Trustee and Related Bond Trustee an Officer's Certificate and Opinion of Counsel, each stating that such consolidation, merger, conveyance, or transfer and such supplemental instrument comply with this Article and that all conditions precedent relating to such transaction provided for herein have been complied with, and a Favorable Opinion of Bond Counsel.

Section 502. Successor Corporation Substituted. Upon any consolidation or merger or any conveyance or transfer of the properties and assets of the Company substantially as an entirety in accordance with Section 501, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company hereunder with the same effect as if such successor Person had been named as the Company herein.

ARTICLE VI

REMEDIES OF THE MASTER TRUSTEE AND NOTE HOLDERS IN EVENT OF DEFAULT

Section 601. Events of Default. "Event of Default," whenever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be

voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of the principal of (premium, if any) or interest or any other amount due on any Note when due (giving effect to any applicable period of grace, if any); or

(b) default in the performance, or breach, of any covenant or agreement on the part of the Company contained in this Master Indenture (other than a covenant or agreement the default in the performance or observance of which is elsewhere in this Section specifically addressed) and continuance of such default or breach for a period of thirty (30) days after a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder and has been given by registered or certified mail by (i) the holders of at least 25% in principal amount of Notes then Outstanding, or (ii) the Master Trustee to the Company (with a copy to the Master Trustee in the case of notice by the Note Holders); provided that if such default under this Section 601(b) can be cured by the Company but cannot be cured within the 30-day curative period described above, it shall not constitute an Event of Default if corrective action is instituted by the Company within such 30-day period and diligently pursued until the default is corrected; or

(c) a decree or order by a court having jurisdiction in the premises shall have been entered adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or arrangement of the Company under the Bankruptcy Code, or any other similar applicable federal or state law, and such decree or order shall have continued undischarged and unstayed for a period of ninety (90) days; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of the Company or the Company’s property, or for the winding up or liquidation of the Company or the Company’s affairs, shall have been entered, and such decree or order shall have remained in force undischarged and unstayed for a period of ninety (90) days; or

(d) the Company shall institute proceedings to be adjudicated a voluntary bankruptcy, or shall consent to the institution of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization or arrangement under the Bankruptcy Code or any other similar applicable federal or state law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of it or of its property, or shall make assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Company in furtherance of any of the aforesaid purposes; or

(e) an event of default, as therein defined, under any instrument or agreement under which any Note may be incurred or secured, or under any Related Bond Documents, occurs and is continuing beyond any applicable period of grace, if any; or

(f) a Qualified Provider under a Financial Products Agreement which is secured by a Note notifies the Master Trustee in writing that an event of default under such Financial Products Agreement, as therein defined, has occurred and is continuing beyond the applicable grace period, if any.

Section 602. Acceleration of Maturity in Certain Cases; Rescission and Annulment.

(a) If an Event of Default occurs and is continuing, then and in every such case the Master Trustee may, and upon the request of the holders of not less than 25% in principal amount of the Notes Outstanding (or, in the case of any Event of Default described in clause (e) above resulting in the loss of any exclusion from gross income of interest on, or the invalidity of, any Debt secured by a pledge of Notes, the holders of not less than 25% in principal amount of the Notes Outstanding of the affected series) shall, by a notice in writing to the Company, accelerate the Maturity of the Notes, and upon any such declaration such principal of (premium, if any) and interest and any other amount due on any Note shall become immediately due and payable.

(b) At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the Master Trustee as hereinafter in this Article provided, the holders of a majority in aggregate principal amount of the Notes Outstanding, by written notice to the Company and the Master Trustee, may rescind and annul such declaration and its consequences if:

(1) the Company has caused to be paid or deposited with the Master Trustee a sum sufficient to pay:

(A) all overdue installments of interest on all Notes;

(B) the principal of (and premium, if any, on) any Notes which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Notes as well as any other amounts due and owing as provided in such Notes; and

(C) all sums paid or advanced by the Master Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel; and

(2) all Events of Default, other than the non-payment of the principal of Notes which have become due solely by such acceleration, have been cured or waived as provided in Section 613.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

(c) Acceleration of Notes pursuant to this Section 602 may be declared separately and independently with or without an acceleration of the Related Bonds.

Section 603. Collection of Indebtedness and Suits for Enforcement by Master Trustee.

(a) The Company covenants that if:

(1) default is made in the payment of any installment of interest on any Note when such interest becomes due and payable;

(2) default is made in the payment of the principal of (or premium, if any), on any Note when such principal (or premium, if any) becomes due and payable; or

(3) default is made in the payment of any other amount when such amount is due and payable;

the Company will, subject to Section 401 hereof, upon demand of the Master Trustee, pay to it, for the benefit of the holders of such Notes, the whole amount then due and payable on such Notes for principal (and premium, if any) and interest, with interest upon the overdue principal (and premium, if any) and any other amount due; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel.

(b) If the Company fails to pay any of the foregoing amounts forthwith upon demand, the Master Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company and collect the moneys adjudged or decreed to be payable in the manner provided by law.

(c) If an Event of Default occurs and is continuing, the Master Trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of Notes and other obligations secured hereunder by such appropriate judicial proceedings as the Master Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Master Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy, including without limitation proceeding under the UCC as to all or any part of the Trust Estate, and the Company hereby covenants and agrees with the Master Trustee that the Master Trustee shall have and may exercise with respect to the Trust Estate all the rights, remedies and powers of a secured party under the UCC as in effect in the State.

(d) If an Event of Default occurs and is continuing, the Master Trustee may provide a Notice of Exclusive Control to the Company's Depository Bank.

(e) If an Event of Default occurs and is continuing, the Mortgage Trustee named in the Deed of Trust may foreclose on any property subject to the Deed of Trust.

Section 604. Master Trustee May File Proofs of Claim.

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or property of the Company or of such other obligor or their creditors, the Master Trustee (irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Master Trustee shall have made any demand on the Company for the payment of overdue principal or interest) shall be entitled and empowered (but not obligated), by intervention in such proceeding or otherwise:

(1) to file and prove a claim for the whole amount of principal (and premium, if any) and interest and any other amounts owing and unpaid in respect of the Notes and to

file such other papers or documents as may be necessary or advisable in order to have the claims of the Master Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel) and of the Note Holders allowed in such judicial proceeding; and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Note Holder to make such payments to the Master Trustee, and in the event that the Master Trustee shall consent to the making of such payments directly to the Note Holders, to pay to the Master Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel, and any other amounts due the Master Trustee under this Master Indenture.

(b) Nothing herein contained shall be deemed to authorize the Master Trustee to authorize or consent to or accept or adopt on behalf of any Note Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Note Holder thereof, or to authorize the Master Trustee to vote in respect of the claim of any Note Holder in any such proceeding.

Section 605. Master Trustee May Enforce Claims Without Possession of Notes. All rights of action and claims under this Master Indenture or the Notes may be prosecuted and enforced by the Master Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Master Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel, be for the ratable benefit of the Note Holders in respect of which such judgment has been recovered.

Section 606. Application of Money Collected. Any money collected by the Master Trustee pursuant to this Article and any proceeds of any sale (after deducting the costs and expenses of pursuing remedies or such sale, including a reasonable compensation to the Master Trustee, its agents and counsel, and any taxes, assessments, or liens prior to the lien of this Master Indenture, except any thereof subject to which such sale shall have been made), whether made under any power of sale herein granted or pursuant to judicial proceedings, together with, in the case of an entry or sale as otherwise provided herein, any other sums then held by the Master Trustee as part of the Trust Estate, shall be deposited in the Revenue Fund created by this Master Indenture, shall be applied in the order specified in Section 405, at the date or dates fixed by the Master Trustee and, in case of the distribution of such money on account of principal (or premium,

if any), upon presentation of the Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid.

Section 607. Limitation on Suits. No Note Holder shall have any right to institute any proceeding, judicial or otherwise, with respect to this Master Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Note Holder has previously given written notice to the Master Trustee of a continuing Event of Default;

(2) the holders of not less than 25% in principal amount of the Outstanding Notes shall have made written request to the Master Trustee to institute proceedings in respect of such Event of Default in its own name as Master Trustee hereunder;

(3) such Note Holder or Note Holders have provided to the Master Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Master Trustee for sixty (60) days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Master Trustee during such 60-day period by the holders of a majority in aggregate principal amount of the Outstanding Notes;

it being understood and intended that no one or more Note Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Master Indenture to affect, disturb or prejudice the rights of any other Note Holders, or to obtain or to seek to obtain priority or preference over any other Note Holders, or to enforce any right under this Master Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Note Holders.

Section 608. Unconditional Right of Note Holders to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Master Indenture, any Note Holder shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Note, but (without waiving or impairing any rights such Note Holder may have under any other instrument or agreement) solely from the sources provided in this Master Indenture, on the respective Stated Maturities expressed in such Note (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Note Holder.

Section 609. Restoration of Rights and Remedies. If the Master Trustee or any Note Holder has instituted any proceeding to enforce any right or remedy under this Master Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Master Trustee or to such Note Holder, then and in every such case the Company, the Master Trustee and the Note Holders shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights

and remedies of the Master Trustee and the Note Holders shall continue as though no such proceeding had been instituted.

Section 610. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Master Trustee or to the Note Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 611. Delay or Omission Not Waiver. No delay or omission of the Master Trustee or of any Note Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Master Trustee or to the Note Holders may be exercised from time to time, and as often as may be deemed expedient, by the Master Trustee or by the Note Holders, as the case may be.

Section 612. Control by Note Holders. The holders of at least a majority in aggregate principal amount of the Outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Master Trustee or exercising any trust or power conferred on the Master Trustee, provided that such direction shall not be in conflict with any rule of law or with this Master Indenture, and provided further that the Master Trustee shall have the right to decline to comply with any such request in accordance with Section 703(e) hereof or if the Master Trustee shall be advised by counsel (who may be its own counsel) that the action so directed may not lawfully be taken or the Master Trustee in good faith shall determine that such action would be unjustly prejudicial to the Note Holders not parties to such direction. The Master Trustee may take any other action deemed proper by the Master Trustee which is not inconsistent with such direction.

Section 613. Waiver of Past Defaults.

(a) The holders of not less than a majority in aggregate principal amount of the Outstanding Notes may on behalf of the holders of all the Notes waive any past default hereunder and its consequences, except:

(1) a default in the payment of the principal of (or premium, if any) or interest or any other amount on any Note; or

(2) a default in respect of a covenant or provision hereof which under Article VIII cannot be modified or amended without the consent of the holder of each Outstanding Note affected.

(b) Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Master Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 614. Undertaking for Costs. All parties to this Master Indenture agree, and each Note Holder by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Master Indenture, or in any suit against the Master Trustee for any action taken or omitted by it as Master Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Master Trustee, to any suit instituted by any Note Holder, or group of Note Holders, holding in the aggregate more than 10% in aggregate principal amount of the Outstanding Notes, or to any suit instituted by any Note Holder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Note on or after the respective Stated Maturities expressed in such Note (or, in the case of redemption, on or after the redemption date).

Section 615. Waiver of Stay or Extension Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Master Indenture; and the Company (to the extent that it may lawfully do so), hereby expressly waives all benefit or advantage of any such law, and covenants (to the extent that it may lawfully do so) that it will not hinder, delay or impede the execution of any power herein granted to the Master Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 616. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in this Master Indenture or any indenture supplemental hereto, or in any Note, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, or against any past, present or future director, officer or employee, as such, of the Master Trustee or the Company or of any successor corporation, either directly or through the Company, whether by virtue of any constitution or statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Master Indenture and the Notes are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, directors, officers or employees, as such, of the Master Trustee or the Company or any successor corporation, or any of them, because of the creation of indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Master Indenture or in any of the Notes or implied therefrom; and that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, director, officer or employee, as such, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Master Indenture and the issue of such Notes.

Section 617. Termination of Default. Once an Event of Default has been cured in accordance with the provisions of this Master Indenture or the instrument under which any Note is incurred or secured, such Event of Default will be deemed to no longer exist and the Master Trustee shall notify the Company in writing that such Event of Default has been cured and all corrective actions under this Master Indenture shall immediately cease unless or until another

Event of Default shall occur; provided however, that once the Notes are accelerated pursuant to Section 602, the provisions of Section 602 shall govern rescission and the cessation of remedies.

ARTICLE VII

CONCERNING THE MASTER TRUSTEE

Section 701. Duties and Liabilities of Master Trustee.

(a) The Master Trustee accepts and agrees to execute the trusts expressly imposed upon it by this Master Indenture, but only upon the terms and conditions specifically and expressly set forth herein. These duties shall be deemed purely ministerial in nature, and the Master Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Master Indenture against the Master Trustee.

(b) In case any Event of Default has occurred and is continuing (of which a Responsible Officer of the Master Trustee has actual knowledge or is deemed to have actual knowledge under Section 703(h) hereof), the Master Trustee shall exercise such of the rights and powers vested in it by this Master Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) No provision of this Master Indenture shall be construed to relieve the Master Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except, that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section or Section 703 hereof;

(2) the Master Trustee shall not be liable for any actions taken or errors of judgment made in good faith by a Responsible Officer, unless it shall be finally determined on a non-appealable basis by a court of competent jurisdiction that the Master Trustee was negligent in ascertaining the pertinent facts;

(3) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with Section 602(a) hereof or otherwise with the written direction of the holders of not less than a majority in aggregate principal amount of the Notes then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any trust or power conferred upon the Master Trustee, under this Master Indenture or any related document to which the Master Trustee is a party; and

(4) no provision of this Master Indenture shall require the Master Trustee to expend or risk its funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of this Master Indenture and any related document to which the Master Trustee is a party relating to the conduct or affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section and Section 703.

Section 702. Notice of Defaults. Within sixty (60) days after the occurrence of any default which a Responsible Officer of the Master Trustee has actual knowledge or is deemed to have actual knowledge under Section 703(h) hereof, the Master Trustee shall transmit by mail to all Note Holders notice of such default, unless such default shall have been cured or waived or unless corrective action to cure such default has been instituted and is being pursued such that such default does not constitute an Event of Default; provided, however, that except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Notes or in the payment of any sinking or purchase fund installment, the Master Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Master Trustee in good faith determine that the withholding of such notice from the Note Holders is in the interest of the Note Holders; and provided, further, that in the case of any default of the character specified in Section 601(b), no such notice to Note Holders shall be given until at least thirty (30) days after the notice described in Section 601(b) is given and a cure is not forthcoming. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

Section 703. Certain Rights of Master Trustee.

(a) The Master Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, judgment, decree, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and shall not be required to verify the accuracy of any information or calculations required to be included therein or attached thereto.

(b) Any request or direction of the Company shall be sufficiently evidenced by a Request; and any resolution of the Governing Body may be evidenced to the Master Trustee by a Board Resolution.

(c) Whenever in the administration of this Master Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Master Trustee (unless other evidence be herein specifically prescribed) may, rely in good faith upon an Officer’s Certificate.

(d) The Master Trustee may consult with counsel and other professionals and the written advice of such counsel and other professionals or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture at the request or direction of any of the Note Holders pursuant to the provisions of this Master Indenture, unless such Note Holders shall have provided to the Master Trustee security or indemnity (satisfactory to the Master Trustee in its sole and absolute discretion) against the costs, expenses and liabilities which might be incurred by it in connection with such request or direction and for the payment of the Master Trustee’s fees, costs

and expenses (including, without limitation, counsel fees, costs and expenses) in connection therewith.

(f) The Master Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, judgment, decree, approval, bond, debenture or other paper or document, but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney and to take such memoranda from and in regard thereto as may be reasonably desired. The Master Trustee shall have no obligation to perform any of the duties of the Company under this Master Indenture or any related document to which the Master Trustee is a party.

(g) The Master Trustee may execute any of the trusts or powers hereunder either directly or by or through agents or attorneys or may act or refrain from acting in reliance upon the opinion or advice of such agents or attorneys, but the Master Trustee shall not be held liable for the conduct of any such agent or attorney appointed by it with due care, and the Master Trustee shall be reimbursed for any expenses incurred in hiring an agent. The Master Trustee may act upon the opinion or advice of an attorney or agent selected by it in the exercise of reasonable care and upon the opinion or advice of an attorney or agent retained by the Company. The Master Trustee shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice. The Master Trustee may in all cases pay reasonable compensation to any attorney or agent retained or employed by it in connection herewith.

(h) The Master Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder unless a Responsible Officer of the Master Trustee shall be specifically notified of such default or Event of Default in writing by an Authorized Representative of the Company or by the holder of an Outstanding Note, and in the absence of such notice the Master Trustee may conclusively assume that no Event of Default exists; provided, however, that the Master Trustee shall be required to take and be deemed to have notice of a default under Section 701(a) hereof.

(i) The Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction of the holders of the Outstanding Notes permitted to be given by them under this Master Indenture.

(j) The permissive right of the Master Trustee to do things enumerated in this Master Indenture shall not be construed as a duty and the Master Trustee shall not be answerable for other than its gross negligence or willful misconduct finally determined on a non-appealable basis by a court of competent jurisdiction.

(k) The Master Trustee shall not be required to give any bond or surety in respect of the execution of the trusts and powers established by this Master Indenture or otherwise.

(l) The Master Trustee shall not be responsible for monitoring the existence of or determining whether any lien or encumbrance or other charge including, without limitation, any Permitted Encumbrance (as defined in the Deed of Trust) exists against the Project or the Trust Estate.

(m) The Master Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Company herein or in the Deed of Trust hereunder except as may be expressly provided for herein or therein. The Master Trustee may require of the Company full information and advice as to the performance of the aforesaid covenants, conditions and agreements.

(n) The Master Trustee's rights to immunities and protection from liability hereunder will survive its resignation or removal, the termination of this Master Indenture, and final payment or defeasance of the Notes.

(o) Under no circumstances shall the Master Trustee be liable in its individual capacity for the obligations evidenced by the Notes.

(p) The Master Trustee shall have no responsibility for the content of any offering documents prepared or delivered in connection with the sale or delivery of any Notes or any Related Bonds.

(q) The Master Trustee shall not be responsible for delays or failures in performance resulting from circumstances beyond its control (such circumstances include but are not limited to acts of God, strikes, lockouts, riots, acts of war, loss or malfunctions of utilities, computer (hardware or software) or communications services).

(r) In no event shall the Master Trustee be liable for special, indirect, incidental, exemplary, punitive or consequential loss or damage (including lost profits) even if the Master Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action any such loss or damage may be claimed.

(s) It shall not be a duty of the Master Trustee to insure that any of the duties or obligations in this Master Indenture imposed upon the Company or any other Person are performed, and the Master Trustee shall not be liable or responsible because of the failure of the Company or any other such Person to perform any act required by this Master Indenture or otherwise.

(t) If the Company is required to deliver financial statements (audited or otherwise) to the Master Trustee, the Master Trustee does not have the duty to review such statements, is not considered to have notice of the content of such statements or a default or Event of Default based on such content and does not have a duty to verify or analyze the accuracy of such statements.

(u) The Master Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("**Instructions**") given pursuant to this Master Indenture and related financing documents and delivered using Electronic Means; provided, however, that the Company, shall provide to the Master Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("**Authorized Officers**") and containing specimen

signatures of such Authorized Officers, which incumbency certificate shall be amended by the Company, whenever a person is to be added or deleted from the listing. If the Company elects to give the Master Trustee Instructions using Electronic Means and the Master Trustee in its discretion elects to act upon such Instructions, the Master Trustee's understanding of such Instructions shall be deemed controlling. The Company understands and agrees that the Master Trustee cannot determine the identity of the actual sender of such Instructions and that the Master Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Master Trustee have been sent by such Authorized Officer. The Company shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Master Trustee and that the Company and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Company. The Master Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Master Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Company agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Master Trustee, including without limitation the risk of the Master Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Master Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Company; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Master Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(v) The Master Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Master Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including, without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; pandemics; quarantine restrictions; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility;

(w) The Master Trustee shall have no obligation to give, execute, deliver, file, record, authorize or obtain any financing statements, notices, instruments, documents, agreements, consents or other papers as shall be necessary to (i) create, preserve, perfect or validate the security interest granted to the Master Trustee pursuant to the Indenture or (ii) enable the Master Trustee to exercise and enforce its rights under this Master Indenture with respect to such pledge and security interest. In addition, the Master Trustee shall have no responsibility or liability (i) in connection with the acts or omissions of the Company in respect of the foregoing or (ii) for or with respect to the legality, validity and enforceability of any security interest created hereunder or the perfection and priority of such security interest; and

(x) Whether or not expressly provided herein, every provision of this Master Indenture relating to the conduct or affecting the liability of the Master Trustee shall be subject to the

provisions of this Article VII and shall extend to the Paying Agent, and to the directors, officers, employees, attorneys and agents of the Master Trustee and the Paying Agent.

Section 704. Not Responsible For Recitals or Issuance of Notes. The recitals contained herein and in the Notes (other than the certificate of authentication on such Notes) shall be taken as the statements of the Company and the Master Trustee assumes no responsibility for their correctness. The Master Trustee makes no representations as to the validity or sufficiency of this Master Indenture or of the Notes. The Master Trustee shall not be accountable for the use or application by the Company of any of the Notes or of the proceeds of such Notes, for the use or application of any money paid over by the Master Trustee in accordance with the provisions of this Master Indenture or for the use and application of money received by any Paying Agent.

Section 705. Master Trustee May Own Notes. The Master Trustee or other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company with the same rights it would have if it were not Master Trustee or such other agent.

Section 706. Moneys to Be Held in Trust. All moneys received by the Master Trustee shall, until used or applied as herein provided be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Master Trustee shall be under no liability for interest on any moneys received by it hereunder other than such interest as it expressly agrees in writing to pay.

Section 707. Compensation and Expenses of Master Trustee.

(a) The Company hereby agrees:

(1) to pay to the Master Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any law limiting the compensation of the trustee of an express trust, and which may be increased from time to time as the cost of business dictates), whether as Master Trustee or as Paying Agent;

(2) except as otherwise expressly provided in this Section 707(a), to reimburse the Master Trustee in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee in accordance with any provision of this Master Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel); and

(3) to indemnify the Master Trustee, its officers, directors, employees, attorneys, agents and affiliates (including, without limitation, the Master Trustee as Paying Agent hereunder) (collectively, the “**Indemnitees**”) for, and to defend and hold them harmless against, loss, liability, damages, claims, proceedings, suits, demands, penalties, costs and expenses, including without limitation, the costs and expenses of outside and in house counsel and experts and their staffs and all expenses of document location, duplication and shipment and of preparation to defend and defending any of the foregoing (“**Losses**”), that may be imposed on, incurred by or asserted against any Indemnitee in respect of (i) any loss, or damage to any property, or injury to or death of any person,

asserted by or on behalf of any Person arising out of, resulting from, or in any way connected with the Related Project, or the conditions, occupancy, use, possession, conduct or management of, or any work done in or about the Related Project or from the planning, design, acquisition or construction of any Related Project facilities or any part thereof, (ii) the issuance of any Notes or Related Bonds, or the Company's or the Related Issuer's, as the case may be, authority therefore, (iii) this Master Indenture and any instrument related to any of the foregoing (including, without limitation, the Deposit Account Control Agreement), (iv) the Master Trustee's execution, delivery and performance of this Master Indenture, except in respect of any Indemnatee to the extent such Indemnatee's gross negligence or willful misconduct is finally determined by a court of competent jurisdiction in a non-appealable judgment to have directly caused such Loss, (v) compliance with or attempted compliance with or reliance on any instruction or other direction upon which the Master Trustee may rely under this Master Indenture or any instrument related thereto, (vi) the Master Trustee defending itself against claims of negligence and (vii) any action, claim or suit brought to enforce the Master Trustee's right to indemnification hereunder. The Company further agrees to indemnify the Indemnitees against any Losses as a result of (1) any untrue statement or alleged untrue statement of any material fact or the omission or alleged omission to state a material fact necessary to make the statements made not misleading in any statement, information or material furnished by the Company to the Master Trustee or the Note Holder, including, but not limited to, any disclosure document utilized in connection with the sale of any Related Bonds; or (2) the inaccuracy of the statements contained in any section of any Related Bond Indenture relating to environmental representations and warranties. The foregoing indemnification shall include, without limitation, indemnification for any statement or information concerning the Company or its officers and board members or its property contained in any official statement or other offering document furnished to the Master Trustee or the purchaser of any Notes or Related Bonds that is untrue or incorrect in any material respect, and any omission from such official statement or other offering document of any statement or information which should be contained therein for the purpose for which the same is to be used or which is necessary to make the statements therein concerning the Company, its officers and board members and its property not misleading in any material respect. The foregoing is in addition to any other rights, including rights to indemnification, to which the Master Trustee may otherwise be entitled, including, without limitation, pursuant to the Deed of Trust. The provisions of this Section 707(a)(3) will survive the satisfaction and discharge of this Master Indenture, the payment of all Notes hereunder and any resignation or removal of the Master Trustee.

(b) As security for the performance of the obligations of the Company under this Section, the Master Trustee shall have a lien prior to the Notes upon all property and funds held or collected by the Master Trustee as such. The payment obligations set forth above shall include all such fees and expenses of the Master Trustee and its agents under any Supplemental Master Indenture.

Section 708. Corporate Master Trustee Required; Eligibility. There shall at all times be a Master Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, subject to

supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Master Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 709. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Master Trustee and no appointment of a successor Master Trustee pursuant to this Section shall become effective until the acceptance of appointment by the successor Master Trustee under Section 710.

(b) The Master Trustee may resign at any time by giving sixty (60) days written notice thereof to the Company. If an instrument of acceptance by a successor Master Trustee shall not have been delivered to the Master Trustee within thirty (30) days after the giving of such notice of resignation, the resigning Master Trustee may petition any court of competent jurisdiction for the appointment of a successor Master Trustee.

(c) The Master Trustee may be removed at any time by (i) the holders of at least a majority in aggregate principal amount of the Outstanding Notes, or (ii) so long as there is no Event of Default and no circumstance has occurred that, with the passage of time, will constitute an Event of Default, the Company acting through an Authorized Representative.

(d) If at any time:

(1) the Master Trustee shall cease to be eligible under Section 708 and shall fail to resign after written request therefor by the Company or by any Note Holder; or

(2) the Master Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent, or a conservator or a receiver of the Master Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Master Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation; then, in any such case, (i) the Company by a Request may remove the Master Trustee, or (ii) subject to Section 614, any Note Holder who has been a bona fide Note Holder for at least six (6) months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Master Trustee and the appointment of a successor Master Trustee.

(e) If the Master Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Master Trustee for any cause, the Company shall promptly appoint a successor Master Trustee; provided, however, that if an Event of Default has occurred and is continuing hereunder or a circumstance has occurred that, with the passage of time, will constitute an Event of Default, such successor Master Trustee must be approved with the written consent of the holders of a majority in aggregate principal amount of the Outstanding Notes. If, within six (6) months after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Master Trustee shall be appointed by Action of the holders of a majority in

aggregate principal amount of the Outstanding Notes delivered to the Company and the retiring Master Trustee, the successor Master Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Master Trustee and supersede the successor Master Trustee appointed by the Company. If no successor Master Trustee shall have been so appointed by the Company or the Note Holders and accepted appointment in the manner hereinafter provided, the Master Trustee or any Note Holder who has been a bona fide Note Holder for at least six (6) months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Master Trustee.

(f) The Company shall give notice of each resignation and each removal of the Master Trustee and each appointment of a successor Master Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Note Holders at their addresses as shown in the Note Register. Each notice shall include the name and address of the designated corporate trust office of the successor Master Trustee.

Section 710. Acceptance of Appointment by Successor.

(a) Every successor Master Trustee appointed hereunder shall execute, acknowledge and deliver to the Company and to the retiring Master Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Master Trustee shall become effective and such successor Master Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Master Trustee; but, on Request of the Company or the successor Master Trustee, such retiring Master Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Master Trustee all the rights, powers and trusts of the retiring Master Trustee, and shall duly assign, transfer and deliver to the successor Master Trustee all property and money held by such retiring Master Trustee hereunder. Upon request of any such successor Master Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Master Trustee all such rights, powers and trusts.

(b) No successor Master Trustee shall accept its appointment unless at the time of such acceptance such successor Master Trustee shall be qualified and eligible under this Article.

Section 711. Merger or Consolidation. Any corporation into which the Master Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Master Trustee shall be a party, or any corporation acquiring and succeeding to all or substantially all of the corporate trust business of the Master Trustee, shall be the successor Master Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes shall have been authenticated, but not delivered, by the Master Trustee then in office, any successor by merger or consolidation to such authenticating Master Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Master Trustee had itself authenticated such Notes.

Section 712. Release of Property. The Master Trustee shall execute and deliver in recordable form any releases of property encumbered hereby or by the Deed of Trust as permitted

in such Deed of Trust or at the request of not less than a majority of the holders of the aggregate principal amount of the Outstanding Notes.

Section 713. Subordination Authority. Notwithstanding anything to the contrary herein or in the Related Bond Documents, without the consent of the Master Trustee, and without such actions constituting a breach or violation of the Deed of Trust, a mortgagor may impose upon real property such reasonable easements and similar encumbrances to title as are customarily created or imposed in connection with the development of real property (“**Customary Development Encumbrances**”), e.g., utility easements and similar rights of way, and easements, building setback lines, and the like created by the platting or re-platting of the real property. In addition, the liens and security interests covering or encumbering the real property created by the Deed of Trust shall at all times be subordinate and inferior to the easements and other similar encumbrances against title to the real property created in connection with any future Customary Development Encumbrances, including by not limited to plats; provided, however, such liens and security interests of the Deed of Trust shall not be inferior or subordinate to any monetary liens created pursuant to any such future Customary Development Encumbrances, and all liens and security interest created by the said Deed of Trust shall be superior and prior to any and all such monetary liens created by any such future Customary Development Encumbrances. The Master Trustee, to the extent deemed necessary or desirable by the Company, is hereby granted the authority to sign any and all documents subordinating the lien of the Deed of Trust to any Customary Development Encumbrances confirming such subordination in accordance with the terms of this Section.

ARTICLE VIII **SUPPLEMENTS**

Section 801. Supplemental Master Indentures Without Consent of Note Holders. Without the consent of the Note Holders, the Company, when authorized by a Board Resolution, and the Master Trustee at any time may enter into or consent to one or more indentures supplemental hereto, subject to Section 803 hereof, for any of the following purposes:

(a) to cure any ambiguity or to correct or supplement any provision herein or therein which may be inconsistent with any other provision herein or therein, or to make any other provisions with respect to matters or questions arising under this Master Indenture which shall not be inconsistent with this Master Indenture, provided such action shall not adversely affect the interests of any Note Holder;

(b) to grant to or confer upon the Master Trustee for the benefit of the Note Holders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Note Holders and the Master Trustee, or either of them, to add to the covenants of the Company for the benefit of the Note Holders or to surrender any right or power conferred hereunder upon the Company;

(c) to assign and pledge under this Master Indenture additional revenues, properties or collateral;

(d) to evidence the succession of another corporation to the agreements of the Master Trustee, or a successor thereof hereunder;

(e) to evidence the succession of another Person to the Company, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Company as permitted by this Master Indenture;

(f) to modify or supplement this Master Indenture in such manner as may be necessary or appropriate to qualify this Master Indenture under the Trust Indenture Act of 1939 as then amended, or under any similar federal or State statute or regulation, including provisions whereby the Master Trustee accepts such powers, duties, conditions and restrictions hereunder and the Company undertakes such covenants, conditions or restrictions additional to those contained in this Master Indenture as would be necessary or appropriate so to qualify this Master Indenture; provided, however, that nothing herein contained shall be deemed to authorize inclusion in this Master Indenture or in any indenture supplemental hereto, provisions referred to in Section 316(a)(2) of the said Trust Indenture Act or any corresponding provision provided for in any similar statute hereafter in effect;

(g) to provide for the refunding or advance refunding of any Note, in whole or in part as permitted hereunder;

(h) to permit a Note to be secured by new security which may or may not be extended to all Note Holders or to establish special funds or accounts under this Master Indenture;

(i) to allow for the issuance of any series of Notes in certificated or uncertificated form;

(j) to make any other change which does not materially adversely affect any Note Holder and, in the opinion of each Related Bond Trustee, does not materially adversely affect the owners of the Related Bonds with respect to which it acts as trustee, including without limitation any modification, amendment or supplement to this Master Indenture or any indenture supplemental hereto or any amendment thereto in such a manner as to establish or maintain exemption of interest on any Related Bonds under a Related Bond Indenture from federal income taxation under applicable provisions of the Code;

(k) so long as no Event of Default has occurred and is continuing under this Master Indenture and so long as no event which with notice or the passage of time or both would become an Event of Default under this Master Indenture has occurred and is continuing, to make any other change herein or therein which, in the judgment of a Management Consultant, if any, a copy of whose report shall be filed with the Master Trustee:

(1) is in the best interest of the Company; and

(2) does not materially adversely affect any Note Holder;

(3) provided that, with respect to each applicable series of Related Bonds, an Opinion of Counsel is delivered to the Master Trustee, and on which the Master Trustee may conclusively rely, to the effect that the amendment proposed to be adopted by such Supplemental Master Indenture will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on such Related Bonds otherwise entitled to such exclusion; and

(4) further provided that, no such amendment, directly or indirectly, shall (A) change the provisions of this subsection (k), (B) make any modification of the type prohibited in Section 802 hereof, or (C) make a modification intended to subordinate the right to payment of a Note Holder to the right of Payment of any Note Holder or any other Debt;

(l) to make any amendment to any provision of this Master Indenture or to any supplemental indenture which is only applicable to Notes issued thereafter or which will not apply so long as any Notes then Outstanding remain Outstanding;

(m) to modify, eliminate or add to the provisions of this Master Indenture if the Master Trustee shall have received written confirmation from each Rating Service that such change will not result in a withdrawal or reduction of its credit rating assigned to any series of Notes or Related Bonds, as the case may be.

Section 802. Supplemental Indentures With Consent of Note Holders.

(a) With the consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Notes, by Action of said Note Holders delivered to the Company and the Master Trustee, the Company, when authorized by a Board Resolution, and the Master Trustee may enter into or consent to an indenture or indentures supplemental hereto (subject to Section 803 hereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Master Indenture or of modifying in any manner the rights of the Note Holders under this Master Indenture; provided, however, that no such Supplemental Master Indenture shall, without the consent of the holders of not less than 80% in aggregate principal amount of the Outstanding Notes affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Notes or any date for mandatory redemption thereof, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which, any Notes or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the redemption date); or

(2) reduce the percentage in principal amount of the Outstanding Notes, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of this Master Indenture or certain defaults hereunder and their consequences) provided for in this Master Indenture; or

(3) modify any of the provisions of this Section or Section 613, except to increase any such percentage or to provide that certain other provisions of this Master Indenture cannot be modified or waived without the consent of each Note Holder affected thereby.

(b) It shall not be necessary for any Action of Note Holders under this Section to approve the particular form of any proposed Supplemental Master Indenture, but it shall be

sufficient if such Action of Note Holders shall approve the substance thereof, as presented in written form to the Note Holders by the Company.

Section 803. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any Supplemental Master Indenture permitted by this Article or the modifications thereby of the trusts created by this Master Indenture, the Master Trustee shall receive, and (subject to Section 701) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Master Indenture or consent is authorized or permitted by this Master Indenture. The Master Trustee may, but shall not (except to the extent required in the case of a Supplemental Master Indenture entered into under Section 801(d)) be obligated to, enter into any such Supplemental Master Indenture or consent which affects the Master Trustee's own rights, duties or immunities under this Master Indenture or otherwise.

Section 804. Effect of Supplemental Master Indentures. Upon the execution of any Supplemental Master Indenture under this Article, this Master Indenture shall, with respect to each series of Notes to which such Supplemental Master Indenture applies, be modified in accordance therewith, and such Supplemental Master Indenture shall form a part of this Master Indenture for all purposes, and every Note Holder thereafter or theretofore authenticated and delivered hereunder shall be bound thereby.

Section 805. Notes May Bear Notation of Changes. Notes authenticated and delivered after the execution of any Supplemental Master Indenture pursuant to this Article may bear a notation in form not objected to by the Master Trustee as to any matter provided for in such Supplemental Master Indenture. If the Company or the Master Trustee shall so determine, new Notes so modified as to conform, in the opinion of the Master Trustee and the Company, to any such Supplemental Master Indenture may be prepared and executed by the Company and authenticated and delivered by the Master Trustee in exchange for Notes then Outstanding.

ARTICLE IX

SATISFACTION AND DISCHARGE OF MASTER INDENTURE

Section 901. Satisfaction and Discharge of Master Indenture.

(a) If at any time the Company shall have paid or caused to be paid the principal of (and premium, if any) and interest and all other amounts due and owing on all the Notes Outstanding hereunder, as and when the same shall have become due and payable, and if the Company shall also pay or provide for the payment of all other sums payable hereunder by the Company and shall have paid all of the Master Trustee's fees and expenses pursuant to Section 707 hereof, then this Master Indenture shall cease to be of further effect except as to (i) rights of registration of transfer and exchange, (ii) substitution of mutilated, defaced, or apparently destroyed, lost or stolen Notes, (iii) rights of Note Holders to receive payments of principal thereof (and premium, if any) and interest thereon and remaining obligations of the Company to make mandatory sinking fund payments, (iv) the rights, remaining obligations, if any, and immunities of the Master Trustee hereunder and (v) the rights of the Note Holders as beneficiaries hereof with respect to the property so deposited with the Master Trustee payable to all or any of them and the Master Trustee, on the Request accompanied by an Officer's Certificate and an Opinion of Counsel to the effect that the conditions precedent to the satisfaction and discharge of this Master Indenture

have been fulfilled and at the cost and expense of the Company, shall execute proper instruments acknowledging satisfaction of and discharging this Master Indenture.

(b) Notwithstanding the satisfaction and discharge of this Master Indenture, the obligations of the Company to the Master Trustee under Section 707 and, if funds shall have been deposited with the Master Trustee pursuant to Section 902, the obligations of the Master Trustee under Section 903 and Section 402(f) shall survive.

Section 902. Notes Deemed Paid. Unless otherwise provided in the Supplemental Master Indenture establishing any such series of Notes, Notes of any series shall be deemed to have been paid if:

(a) in case said Notes are to be redeemed on any date prior to their Stated Maturity, the Company by Request shall have given to the Master Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Notes on said redemption date;

(b) there shall have been deposited with the Master Trustee either money sufficient, or Defeasance Obligations the principal of and the interest on which will provide money sufficient without reinvestment (as established by an Officer's Certificate delivered to the Master Trustee accompanied by a report of an Independent Accountant setting forth the calculations upon which such Officer's Certificate is based), to pay when due the principal of (and premium, if any) and interest due and to become due on said Notes on and prior to the Maturity thereof;

(c) in the event said Notes are not by their terms subject to redemption within the next forty-five (45) days, the Company by Request shall have given the Master Trustee in form satisfactory to it irrevocable instructions to give a notice to the Note Holders that the deposit required by clause (b) of this Section 902 above has been made with the Master Trustee and that said Notes are deemed to have been paid in accordance with this Section and stating such redemption date upon which moneys are to be available for the payment of the principal of (and premium, if any) and interest on said Notes.

Section 903. Application of Trust Money. The Defeasance Obligations and money deposited with the Master Trustee pursuant to Section 902 and principal or interest payments on any such Defeasance Obligations shall be held in trust, shall not be sold or reinvested, and shall be applied by it, in accordance with the provisions of the Notes and this Master Indenture, to the payment, either directly or through any Paying Agent as the Master Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money or Defeasance Obligations were deposited; provided that, upon delivery to the Master Trustee of an Officer's Certificate (accompanied by the report of an Independent Accountant setting forth the calculations upon which such Officer's Certificate is based) establishing that the money and Defeasance Obligations on deposit following the taking of the proposed action will be sufficient for the purposes described in subsection (b) of Section 902, any money received from principal or interest payments on Defeasance Obligations deposited with the Master Trustee or the proceeds of any sale of such Defeasance Obligations, if not then needed for such purpose, shall, upon Request be reinvested in other Defeasance Obligations or disposed of as requested by the Company. For purposes of any calculation required by this Section, any Defeasance Obligation which is subject to redemption at the option of its issuer, the redemption date for which has not

been irrevocably established as of the date of such calculation, shall be assumed to cease to bear interest at the earliest date on which such obligation may be redeemed at the option of the issuer thereof and the principal of such obligation shall be assumed to be received at its Stated Maturity.

ARTICLE X

MISCELLANEOUS

Section 1001. Execution in Counterparts. This Master Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of this Master Indenture by facsimile or electronic transmission shall be equally as effective as delivery of an original executed counterpart of this Master Indenture.

Section 1002. Final Agreement. This written Master Indenture represents the entire and final agreement between the parties related to this transaction, and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the Company and the Master Trustee have caused this Master Indenture to be signed on their behalf by their duly authorized representatives as of the date first written above.

LOGOS PREPARATORY ACADEMY

By: _____
Richard E. Goolsby, Jr., Chairman

UMB BANK, NATIONAL ASSOCIATION, as
Master Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

PERMITTED LIENS

- UCC Financing Statement of the Company, as debtor, in favor of Innovation Refunds, as secured party, filed with the Texas Secretary of State on January 16, 2024 (Filing Number: 24-0002186710) relating to all claims and/or requests for employee retention tax credits made available to the Company under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), as modified, and all proceeds and collections with respect thereto and all records and data relating thereto.

SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1

Dated as of March 1, 2026

Between

LOGOS PREPARATORY ACADEMY

and

UMB BANK, NATIONAL ASSOCIATION

as Master Trustee

Supplemental to:

Master Trust Indenture and Security Agreement
dated as of March 1, 2026

In connection with the issuance of
Series 2026 Note

TABLE OF CONTENTS

	<u>Page</u>
Parties.....	1
Recitals	1

ARTICLE I

DEFINITIONS

Section 101	Definitions of Words and Terms.....	2

ARTICLE II

THE SERIES 2026 NOTE

Section 201	Authorization of Series 2026 Note.	2
Section 202	Form of Series 2026 Note.....	2
Section 203	Payments on Series 2026 Note.....	2
Section 204	Credits on Series 2026 Note.....	2
Section 205	Interest on Overdue Installments.....	3
Section 206	Registration, Transfer and Exchange.....	3
Section 207	Related Deed of Trust.....	3

ARTICLE III

REDEMPTION OR REDUCTION OF SERIES 2026 NOTE; SATISFACTION AND RELEASE

Section 301	Redemption	3
Section 302	Partial Redemption or Reduction	3
Section 303	Effect of Call for Prepayment or Redemption.....	3
Section 304	Satisfaction and Release.....	4

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 401	Representations and Warranties.....	4
Section 402	Covenants under the Original Master Indenture and Related Bond Documents....	4

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 501	Notices.....	4

Section 502	Ratification of Original Master Indenture.....	4
Section 503	Limitation of Rights.....	5
Section 504	Provisions of the Original Master Indenture to Control.....	5
Section 505	Binding Effect.....	5
Section 506	Severability Clause.....	5
Section 507	Execution in Counterparts	5
Section 508	Governing Law.....	5

EXHIBIT A – Form of Tax-Exempt Master Indenture Note and Assignment; Certificate of Authentication and Registration (Series 2026)

SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1

THIS SUPPLEMENTAL MASTER TRUST INDENTURE NO. 1, dated as of March 1, 2026 (this “**Supplemental Master Indenture**”), is between **UMB BANK, NATIONAL ASSOCIATION**, a national banking association, as master trustee (the “**Master Trustee**”), and **LOGOS PREPARATORY ACADEMY**, a non-profit corporation organized and existing under the laws of the State of Texas (the “**Company**”), amending and supplementing the hereinafter referenced Original Master Indenture.

RECITALS:

WHEREAS, the Company entered into a Master Trust Indenture and Security Agreement, dated as of March 1, 2026 (being referred to herein as the “**Original Master Indenture**”), with the Master Trustee, for the purpose of providing for the issuance of Notes thereunder to secure Debt of the Company (as such terms are defined in the Original Master Indenture); and

WHEREAS, the Company and the Master Trustee are authorized under Sections 201 and 801(i) of the Original Master Indenture, to amend or supplement the Original Master Indenture, subject to the terms and provisions contained therein, to provide for the issuance of a series of Notes; and

WHEREAS, the Company desires to enter into this Supplemental Master Indenture in order to provide for the issuance of a certain Series 2026 Note, as hereinafter described, to be secured under the Original Master Indenture as amended and supplemented hereby (as so amended and supplemented, the “**Master Indenture**”); and

WHEREAS, the Company deems it desirable to issue a Tax-Exempt Master Indenture Note (Logos Preparatory Academy) Series 2026 entitled to the security of the Master Indenture in the original principal amount of \$[_____], (the “**Series 2026 Note**”) and to deliver such Series 2026 Note to Arlington Higher Education Finance Corporation (the “**Issuer**”) in order to evidence and secure the obligations of the Company under the Loan Agreement (the “**Loan Agreement**”) between the Company and the Issuer, dated as of March 1, 2026, relating to the Issuer’s Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “**Series 2026 Bonds**”) issued pursuant to a Trust Indenture and Security Agreement (the “**Bond Indenture**”), dated as of March 1, 2026, between the Issuer and UMB Bank, National Association, as trustee (in such capacity, the “**Bond Trustee**”); and

WHEREAS, all acts and things necessary to make the Series 2026 Note authorized by this Supplemental Master Indenture, when executed by the Company and authenticated and delivered by the Master Trustee as provided in the Original Master Indenture and this Supplemental Master Indenture, the valid, binding and legal obligations of the Company and to constitute these presents, together with the Original Master Indenture, a valid indenture and agreement according to its terms, have been done and performed, and the execution of this Supplemental Master Indenture and the issuance of the Series 2026 Note authorized by this Supplemental Master Indenture have in all respects been duly authorized;

NOW, THEREFORE, in order to declare the terms and conditions upon which the Series 2026 Note authorized hereby are authenticated, issued and delivered, and in consideration

of the premises and the acquisition and acceptance of the Series 2026 Note by the Holders thereof, and in consideration of the mutual covenants, conditions and agreements which follow, the Company covenants and agrees with the Master Trustee as follows:

ARTICLE I

DEFINITIONS

Section 101 Definitions of Words and Terms. Words and terms used in this Supplemental Master Indenture and not otherwise defined herein shall, except as otherwise stated, have the meanings assigned to them in the Original Master Indenture.

ARTICLE II

THE SERIES 2026 NOTE

Section 201 Authorization of Series 2026 Note.

(a) There is hereby created and authorized to be issued hereunder a Note, described as follows: “Tax-Exempt Master Indenture Note (Logos Preparatory Academy) Series 2026” in the aggregate original principal amount of \$[_____], dated the Closing Date, issued by the Company to the Issuer. The Series 2026 Note shall initially be issued and registered in the name of the Issuer, and then endorsed by the Issuer to the order of and registered in the name of the Bond Trustee, or its successors or assigns, and shall be executed, authenticated and delivered in accordance with Article II of the Original Master Indenture.

Section 202 Form of Series 2026 Note. The Series 2026 Note shall be issued as a single, fully-registered promissory note without coupons, in substantially the form set forth in EXHIBIT A hereto.

Section 203 Payments on Series 2026 Note. The principal of (and premium, if any, on) and interest on the Series 2026 Note shall be payable in the amounts and on the dates, and such Note shall have such other terms and provisions, as are set forth in or incorporated by reference from Article IV of the Loan Agreement.

Section 204 Credits on Series 2026 Note.

(a) The Company shall receive a credit against amounts due on the Series 2026 Note on any payment date equal to the amounts paid as principal of (and premium, if any) or interest on, respectively, the Series 2026 Bonds on such payment date, including a credit against any mandatory sinking fund redemption payments.

(b) Notwithstanding the provisions of subsection (a) above or any other provision herein or in the Original Master Indenture, in the event that any payment on or with respect to the Series 2026 Bonds shall have been made by or on behalf of the Company and, by reason of bankruptcy or other act of insolvency, such payment shall be deemed to be a preferential payment, and the Bond Trustee shall be required by a court of competent jurisdiction to surrender such payment, any credit on, respectively, the Series 2026 Note which may have been given as a result

of such payment shall be rescinded, and the amount owing on, respectively, the Series 2026 Note shall be calculated as if such payment shall not have been made.

Section 205 Interest on Overdue Installments. The Series 2026 Note shall bear interest on overdue installments of principal (premium, if any), and interest, to the extent permitted by law, at a rate equal to the applicable interest rate or rates borne by, respectively, the Series 2026 Bonds.

Section 206 Registration, Transfer and Exchange. The Series 2026 Note shall be transferred or exchanged pursuant to Section 205 of the Original Master Indenture.

Section 207 Related Deed of Trust. That certain Deed of Trust and Security Agreement (with Assignment of Rents and Leases), dated as of March 1, 2026, to be filed in the Official Public Records of Fort Bend County, Texas, as amended, restated, supplemented and/or otherwise modified, is made subject to the Trust Estate of the Master Indenture, and the foregoing is declared to be a “Deed of Trust” and a “Related Deed of Trust” under the Master Indenture with respect to the Series 2026 Note.

ARTICLE III

REDEMPTION OR REDUCTION OF SERIES 2026 NOTE; SATISFACTION AND RELEASE

Section 301 Redemption. The Series 2026 Note shall be subject to redemption prior to Stated Maturity to the extent and with respect to the corresponding redemption of the Series 2026 Bonds in accordance with the terms of the Bond Indenture. Notice of redemption of the Series 2026 Bonds shall, without further notice or action by the Master Trustee or the Company, constitute notice of redemption of the corresponding amounts of principal due on the Series 2026 Note and the same shall, thereby, become due and payable on the redemption date of the Series 2026 Bonds or at such earlier time as payment is required with respect thereto pursuant to the terms of the Bond Indenture.

Section 302 Partial Redemption or Reduction. In the event of a partial redemption of the Series 2026 Note pursuant to Section 301 hereof, the amount of the principal and interest on such Series 2026 Note becoming due after such redemption shall, to the extent appropriate and with the approval of the Master Trustee, be adjusted so that the installments of principal and interest thereafter due on the Series 2026 Note correspond to the payments of the principal of and interest on the Outstanding Series 2026 Bonds.

Section 303 Effect of Call for Prepayment or Redemption. On the date designated for prepayment or redemption by notice as herein provided, the Series 2026 Note or the portion thereof so called for prepayment or redemption shall become and be due and payable at the prepayment or redemption price provided for prepayments or redemption of such Series 2026 Note or portion thereof on such date. If on the date fixed for prepayment or redemption, moneys for payment of the prepayment or redemption price and accrued and unpaid interest on the Series 2026 Note are held by the Master Trustee or the Bond Trustee, (i) interest on such Series 2026 Note or portion thereof so called for prepayment or redemption shall cease to accrue, (ii) such Series 2026 Note or portion thereof shall cease to be entitled to any benefit or security hereunder except the right to

receive payment from the moneys held by the Master Trustee or the Bond Trustee and (iii) the amount of such Series 2026 Note or portion thereof so called for prepayment or redemption shall be deemed paid and no longer outstanding.

Section 304 Satisfaction and Release. The Company's payment obligations with respect to the Series 2026 Note shall be considered satisfied when all amounts due and owing on the Series 2026 Bonds have been paid or deemed paid under the Indenture.

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 401 Representations and Warranties. The Company represents and warrants that (a) it is duly authorized under the laws of the State of Texas and all other applicable provisions of law to execute this Supplemental Master Indenture and to issue the Series 2026 Note, (b) all corporate action on the part of the Company required by its organizational documents and the Original Master Indenture to establish this Supplemental Master Indenture as the binding obligation of the Company has been duly and effectively taken, and (c) all such action so required for the authorization and issuance of the Series 2026 Note has been duly and effectively taken.

Section 402 Covenants under the Original Master Indenture and Related Bond Documents. The Company covenants and agrees that so long the Series 2026 Note remains outstanding, it will deliver to the Bond Trustee all reports, opinions and other documents required by the Original Master Indenture or this Supplemental Master Indenture to be submitted to the Master Trustee at the time said reports, opinions or other documents are required to be submitted to the Master Trustee, and that it will faithfully perform or cause to be performed at all times any and all covenants, agreements and undertakings required on the part of the Company contained in the Master Indenture and the Series 2026 Note, and the Company hereby confirms its covenants and agrees with its undertakings in the Master Indenture.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 501 Notices. Except as otherwise provided in the Original Master Indenture, it shall be sufficient service of any notice, request, complaint, demand or other paper required by the Original Master Indenture to be given to or filed with the parties if the same shall be delivered in person or duly mailed by certified, registered or first class mail addressed to the addresses provided in the Original Master Indenture. The Master Trustee will be deemed to have received notice upon receipt of such notice by the Responsible Officer of the Master Trustee.

Section 502 Ratification of Original Master Indenture. The Original Master Indenture, as supplemented by this Supplemental Master Indenture, is in all respects ratified and confirmed and the Original Master Indenture as so supplemented shall be read, taken and construed as one and the same instrument. Except as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Master Indenture, as supplemented by this

Supplemental Master Indenture, shall be deemed to be incorporated in, and made a part of, this Supplemental Master Indenture.

Section 503 Limitation of Rights. Nothing in this Supplemental Master Indenture or in the Series 2026 Note, express or implied, shall give or be construed to give any Person other than the Company, the Master Trustee and the respective registered Holder of the Series 2026 Note or their assigns, any legal or equitable right, remedy or claim under or in respect of this Supplemental Master Indenture, or under any covenant, condition and provision herein contained, all its covenants, conditions and provisions being for the sole benefit of the Company, the Master Trustee and of the respective Holder of the Series 2026 Note.

Section 504 Provisions of the Original Master Indenture to Control. The provisions of Sections 701 through 713 of the Original Master Indenture shall control the terms under which the Master Trustee shall serve under this Supplemental Master Indenture.

Section 505 Binding Effect. All the covenants, stipulations, promises and agreements in this Supplemental Master Indenture by or on behalf of the Company or the Master Trustee shall inure to the benefit of and shall bind their respective successors and assigns, whether so expressed or not.

Section 506 Severability Clause. If any provision of this Supplemental Master Indenture shall be held or deemed to be, or shall in fact be, inoperative or unenforceable as applied to any particular case in any jurisdiction or jurisdictions, or in all jurisdictions or in all cases because of the conflicting of any provision with any constitution or statute or rule of public policy or for any other reasons, such circumstance shall not have the effect of rendering the provision or provisions in question inoperative or unenforceable in any other jurisdiction or in any other case or circumstance or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to the extent that such other provisions are not themselves actually in conflict with such constitution, statute or rule of public policy.

Section 507 Execution in Counterparts. This Supplemental Master Indenture may be executed in any number of counterparts, each of which shall be an original; and all of which shall together constitute but one and the same instrument.

Section 508 Governing Law. This Supplemental Master Indenture shall be governed, in all respects including validity, interpretation and effect by, and shall be enforceable in accordance with, the law of the State of Texas.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Master Indenture to be duly executed by the persons thereunto duly authorized, as of the date and year first above written.

LOGOS PREPARATORY ACADEMY

By: _____
Richard E. Goolsby, Jr., Chairman

UMB BANK, NATIONAL ASSOCIATION, as
Master Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF TAX-EXEMPT MASTER INDENTURE NOTE

TAX-EXEMPT MASTER INDENTURE NOTE (LOGOS PREPARATORY ACADEMY) SERIES 2026

THIS NOTE HAS NOT BEEN REGISTERED UNDER
THE SECURITIES ACT OF 1933, AS AMENDED

Registered UNITED STATES OF AMERICA Registered
No. MRA-1 STATE OF TEXAS \$[_____]

Interest Rate: AS SET FORTH HEREIN Maturity Date: June 1, 20[___]

Issue Date: March [___], 2026

Registered Holder: ARLINGTON HIGHER EDUCATION FINANCE CORPORATION

Principal Amount: [_____] AND NO/100 DOLLARS

LOGOS PREPARATORY ACADEMY, a Texas non-profit corporation (the “**Company**”), for value received, hereby promises to pay to the Holder named above, or registered assigns, the Principal Amount set forth above. The Company also promises to pay interest hereon from the Issue Date set forth above, or from the Interest Payment Date (as defined in the Indenture referred to below) to which interest has been paid or duly provided for, and on such other dates as may be required by the Loan Agreement referenced below until the principal hereof is paid or made available for payment. Principal of (and premium, if any) and interest on this Note are payable at the times and in the amounts described in Article IV of the Loan Agreement referred to below. The Company also promises to pay to the Holder hereof the obligations of the Company described in Section 4.1 of the Loan Agreement, hereinafter defined, at the times and the amounts specified therein.

1. Authorization of Note. This Note represents the duly authorized Note of the Company, in the principal amount stated above, designated as “Tax-Exempt Master Indenture Note (Logos Preparatory Academy) Series 2026” (this “**Note**,” together with all other Notes issued and secured under the Master Indenture, referred to collectively as the “**Notes**”) issued under and pursuant to the Master Trust Indenture and Security Agreement dated as of March 1, 2026, between the Company, acting on its own behalf, and UMB Bank, National Association, as master trustee (the “**Master Trustee**”), as supplemented by the Supplemental Master Trust Indenture No. 1, dated as of March 1, 2026, between the Company, acting on its own behalf, and the Master Trustee (collectively, being herein called the “**Master Indenture**”). This Note is issued for the purpose of securing the obligations of the Company under (i) a Loan Agreement dated as of March 1, 2026 (the “**Loan Agreement**”), entered into between the Company and Arlington Higher Education Finance Corporation (the “**Issuer**”) in connection with the issuance and sale of revenue bonds of the Issuer in the principal amount of \$[_____], designated Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy)

Series 2026 (the “**Bonds**”), issued under and pursuant to the Constitution and laws of the State of Texas, (ii) a Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “**Indenture**”), between the Issuer and UMB Bank, National Association, as trustee (the “**Bond Trustee**”), and (iii) the other Related Bond Documents (as defined in the Master Indenture).

It is provided in the Master Indenture that the Company has and may hereafter issue additional Notes from time to time, and if issued, such additional Notes will rank pari passu with this Note and all other Notes heretofore or hereafter issued under the Master Indenture, except as otherwise provided in the Supplemental Master Trust Indenture authorizing this Note and in the Master Indenture.

Copies of the Master Indenture, the Indenture and the Loan Agreement are on file at the Corporate Trust Office of the Master Trustee and reference is hereby made to the Master Indenture, the Indenture and the Loan Agreement for the provisions, among others, with respect to the nature and extent of the security for and the rights of the registered Holders of this Note, the terms and conditions on which, and purposes for which, this Note is issued and the rights, duties and obligations of the Company and the Master Trustee under the Master Indenture, to all of which the Holder hereof, by acceptance of this Note assents. The Master Indenture may be modified, amended or supplemented only to the extent and under the circumstances permitted by, and subject to the terms and conditions of, the Master Indenture.

2. Payment. Interest on this Note which is payable, and is punctually paid or duly provided for, on any Interest Payment Date, will, as provided in the Master Indenture, be paid to the Person in whose name this Note is registered at the close of business on the regular Record Date for such interest, which shall be the Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such regular Record Date, and shall be paid to the Person in whose name this Note is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Master Trustee, notice whereof shall be given to Note Holders not less than 10 days prior to such special record date.

Interest on this Note shall be paid to the Holder of this Note at its address as it appears on the registration books of the Master Trustee by wire transfer of immediately available funds or in such other manner as may be mutually acceptable to the Master Trustee and the registered Holder of this Note.

Principal and the redemption price of this Note shall be payable to the Holder of this Note at the designated payment office of the Master Trustee, initially its corporate trust office located in Costa Mesa, California (the “**Place of Payment**”) upon the surrender for cancellation of this Note.

If the specified date for any such payment shall be a Saturday, a Sunday or a legal holiday or the equivalent for banking institutions generally (other than legal moratorium) at the place where payment thereof is to be made, then such payment may be made on the next succeeding day which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment. All such payments shall be made in such

coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. Redemption. This Note is subject to redemption only in connection with the redemption of a like amount of Series 2026 Bonds as described in the Indenture referenced above.

4. Defeasance of Note. This Note is subject to defeasance as provided in the Master Indenture.

5. Limitations of Rights. The Holder of this Note shall have no right to enforce the provisions of the Master Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Master Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Master Indenture.

6. Transfer of Note. This Note is transferable by the registered Holder hereof in person or by duly authorized attorney at the designated office of the Master Trustee, but only to a successor Bond Trustee for the Holders of the Series 2026 Bonds in the manner, subject to the limitations and upon payment of the charges provided in the Master Indenture, and upon surrender and cancellation of this Note. Upon such transfer a new registered Note or Notes without coupons of the same series and maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Master Trustee may deem and treat the registered Holder hereof as the absolute Holder hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes and the Master Trustee shall not be affected by any notice to the contrary.

7. Certain Rights of Holders. If an Event of Default (as defined in the Master Indenture) shall occur, the principal of this Note and any additional Notes may be declared due and payable in the manner and with the effect provided in the Master Indenture. To the extent permitted by law, the indebtedness of the Company under the Loan Agreement and this Note may be separately and independently accelerated with or without an acceleration of the Series 2026 Bonds.

The Master Indenture permits, with certain exceptions as therein provided, the amendment of the Master Indenture and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes under the Master Indenture at any time with the consent of the Holders of not less than a majority in principal amount of the Notes at the time Outstanding (as defined in the Master Indenture). The Master Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Notes at the time Outstanding (as defined in the Master Indenture) on behalf of the Holders of all the Notes, to waive compliance by the Company or its affiliates with certain provisions of the Master Indenture and certain past defaults under the Master Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Master Indenture and no provision of this Note or of the Master Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of this Note at the times, place, and rate, and in the coin or currency, herein prescribed from the sources herein described.

8. Usury. In no event shall the amount of interest (as defined and calculated in accordance with applicable law) contracted for, charged, reserved, received or taken in connection with the loan exceed the amount of interest which could have been contracted for, charged, reserved, received or taken at the Highest Lawful Rate (as defined in the Loan Agreement). If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, reserved, received or taken in connection with the loan, or if the exercise of the option contained in the Master Indenture or otherwise to accelerate the maturity of the loan or if any prepayment of the loan by the Company results in there having been paid or received any interest in excess of that permitted by applicable law, then notwithstanding anything to the contrary contained in the Loan Agreement, the Loan Agreement provides that all excess amounts theretofore paid or received shall be credited on the principal balance of the loan (or, if the loan has been or would thereby be paid in full, refunded), and the provisions of the Loan Agreement shall immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for thereunder.

9. No Recourse. No recourse shall be had for the payment of the principal of or premium or interest on this Note or for any claim based thereon or upon any obligation, covenant or agreement in the Master Indenture contained, against any past, present or future officer, trustee, director, member, employee or agent of the Company, or any incorporator, officer, director, member, employee or agent of any successor corporation, as such, either directly or through any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such incorporators, officers, directors, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Master Indenture and the issuance of this Note.

10. Authentication of Note. This Note shall not be entitled to any benefit under the Master Indenture, or be valid or become obligatory for any purpose, until this Note shall have been authenticated by execution by the Master Trustee of the Certificate of Authentication inscribed hereon.

11. Waiver of Presentment or Notice. The Company hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all defenses on the grounds of extension of time of payment for the payment hereof which may be given (other than in writing) by the Master Trustee to the Company.

IT IS CERTIFIED that all conditions, acts and things required to exist, happen and be performed under the Master Indenture precedent to and in the issuance of this Note, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Note have been duly authorized by resolutions of the Company.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

LOGOS PREPARATORY ACADEMY

By: _____
Chairman, Board of Directors

ASSIGNMENT

For value received, the undersigned hereby assigns to UMB Bank, National Association, as Bond Trustee (the “**Bond Trustee**”) under a Trust Indenture and Security Agreement, dated as of March 1, 2026, between the Bond Trustee and the undersigned, the within Note and all its rights thereunder without recourse or warranty, except warranty of good title and warranty that the Issuer has not assigned this Note to a Person other than the Bond Trustee and that the principal amount remains unpaid under this Note.

ARLINGTON HIGHER EDUCATION FINANCE
CORPORATION

By: _____
President, Board of Directors

(Form of Certificate of Authentication to
appear on each Note)

CERTIFICATE OF AUTHENTICATION

This is one of the Notes referred to in the Master Indenture.

Date of Authentication:

UMB Bank, National Association,
as Master Trustee

By: _____
Authorized Signatory

APPENDIX F
FORM OF BOND INDENTURE

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TRUST INDENTURE AND SECURITY AGREEMENT

between

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION

and

UMB BANK, NATIONAL ASSOCIATION,
as Trustee

relating to

\$_[_____]

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BONDS
(LOGOS PREPARATORY ACADEMY)
SERIES 2026

Dated as of

March 1, 2026

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101.	Construction of Terms; Definitions.....	4
Section 102.	Effect of Headings and Table of Contents.....	15
Section 103.	Form of Documents Delivered to Trustee.....	15
Section 104.	Acts of Bondholders.....	15
Section 105.	Notice Addresses	16
Section 106.	Notices to Bondholders; Waiver.....	17
Section 107.	Successors and Assigns.....	17
Section 108.	Severability Clause	17
Section 109.	Benefits of Indenture.....	17
Section 110.	Governing Law.....	17
Section 111.	Directors, Officers, Employees, and Agents Exempt from Personal Liability.....	18
Section 112.	No Pecuniary Liability of the Issuer or the City	18

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS; ISSUANCE AND FORM OF BONDS

Section 201.	Authorization and Form of Bonds.....	19
Section 202.	Terms of Bonds.....	19
Section 203.	Execution, Authentication and Delivery	20
Section 204.	Registration, Transfer and Exchange.....	21
Section 205.	Mutilated, Destroyed, Lost and Stolen Bonds.....	22
Section 206.	Payment of Interest on Bonds; Interest Rights Preserved	23
Section 207.	Persons Deemed Owners.....	23
Section 208.	Cancellation.....	24
Section 209.	Limited Liability of Issuer.....	24
Section 210.	Initial Bonds.....	24
Section 211.	Book-Entry-Only System.	25
Section 212.	Investor Letter; Transfer Restrictions.....	27

ARTICLE III

REDEMPTION OF BONDS

Section 301.	Redemption	28
Section 302.	Election to Redeem; Notice to Trustee	28
Section 303.	Selection by Trustee of Bonds to be Redeemed	28
Section 304.	Notice of Redemption.	28
Section 305.	Deposit of Redemption Price.....	29
Section 306.	Bonds Payable on Redemption Date	29

Section 307.	Bonds Redeemed in Part	29

ARTICLE IV

FUNDS AND INVESTMENTS

Section 401.	Establishment of Funds; Source of Payment of the Bonds.....	29
Section 402.	Proceeds Fund	30
Section 403.	Debt Service Fund.....	30
Section 404.	Project Fund.	31
Section 405.	Rebate Fund.....	32
Section 406.	Debt Service Reserve Fund.....	33
Section 407.	Investment of Funds.....	35
Section 408.	Trustee and Issuer Relieved From Responsibility	36
Section 409.	Repair and Replacement Fund.....	36

ARTICLE V

COVENANTS OF THE ISSUER

Section 501.	Payment of Debt Service; Limited Obligations.....	36
Section 502.	Money for Bond Payments to be Held in Trust; Appointment of Paying Agents.....	37
Section 503.	Instruments of Further Assurance	38
Section 504.	Maintenance of Rights	39
Section 505.	Corporate Existence.....	39
Section 506.	Limitations on Liens, Debt and Disposition of Assets.....	39
Section 507.	Tax Covenants.....	40
Section 508.	Change in Law.....	41

ARTICLE VI

CONSOLIDATION, MERGER, CONVEYANCE OR TRANSFER

Section 601.	Consolidation, Merger, Conveyance, or Transfer Only on Certain Terms	41
Section 602.	Successor Issuer Substituted.....	42

ARTICLE VII

REMEDIES OF THE TRUSTEE AND HOLDERS OF BONDS IN EVENT OF DEFAULT

Section 701.	Events of Default	42
Section 702.	Acceleration	43
Section 703.	Collection of Indebtedness	44
Section 704.	Suits for Enforcement by Trustee.....	45
Section 705.	Trustee May File Proofs of Claim.....	45
Section 706.	Trustee May Enforce Claims Without Possession of Bonds.....	46

Section 707.	Application of Money Collected.....	46
Section 708.	Limitation on Suits.....	46
Section 709.	Unconditional Right of Bondholders to Receive Principal, Premium and Interest.....	47
Section 710.	Restoration of Rights and Remedies	47
Section 711.	Rights and Remedies Cumulative	47
Section 712.	Delay or Omission Not Waiver.....	47
Section 713.	Control by Bondholders	48
Section 714.	Waiver of Past Defaults.....	48
Section 715.	Undertaking for Costs	48
Section 716.	Waiver of Stay or Extension Laws.....	48
Section 717.	No Recourse Against Others.....	49
Section 718.	Expenses Payable under Indenture.....	49
Section 719.	Termination of Default.....	49

ARTICLE VIII

CONCERNING THE TRUSTEE

Section 801.	Duties and Liabilities of Trustee.....	50
Section 802.	Notice of Defaults.....	51
Section 803.	Certain Rights of Trustee.....	51
Section 804.	Not Responsible for Recitals or Issuance of Bonds.....	55
Section 805.	Trustee May Own Bonds.....	55
Section 806.	Moneys to Be Held in Trust.....	55
Section 807.	Compensation and Expenses of Trustee and Paying Agent	56
Section 808.	Corporate Trustee Required; Eligibility.....	56
Section 809.	Resignation and Removal; Appointment of Successor.....	57
Section 810.	Acceptance of Appointment by Successor.....	58
Section 811.	Merger or Consolidation.....	58
Section 812.	Authenticating Agent	58
Section 813.	Trustee Liability for Agents.....	59
Section 814.	Facsimile and Electronic Transmissions.....	59

ARTICLE IX

SUPPLEMENTS AND AMENDMENTS

Section 901.	Supplemental Indentures and Amendatory Agreements Without Consent of Bondholders	60
Section 902.	Supplemental Indentures and Amendatory Agreements With Consent of Bondholders	61
Section 903.	Execution of Supplemental Indentures	62
Section 904.	Effect of Supplemental Indentures	62
Section 905.	Bonds May Bear Notation of Changes.....	62

ARTICLE X

SATISFACTION AND DISCHARGE OF
INDENTURE; UNCLAIMED MONEYS

Section 1001. Satisfaction and Discharge of Indenture	62
Section 1002. Payment of Bonds.....	63
Section 1003. Application of Trust Money	64

ARTICLE XI

MISCELLANEOUS

Section 1101. Execution in Counterparts	65
Section 1102. Final Agreement	65

EXHIBIT A – Form of Series 2026 Bond

EXHIBIT B – Form of Requisition Certificate

EXHIBIT C – Form of Investor Letter

TRUST INDENTURE AND SECURITY AGREEMENT

THIS TRUST INDENTURE AND SECURITY AGREEMENT (this “**Indenture**”), dated as of March 1, 2026, is between **ARLINGTON HIGHER EDUCATION FINANCE CORPORATION**, a non-profit corporation created and existing under the Act (the “**Issuer**”), and **UMB BANK, NATIONAL ASSOCIATION**, a national banking association with a corporate trust office in Costa Mesa, California, not in its individual capacity but solely as Trustee (the “**Trustee**”).

W I T N E S S E T H:

WHEREAS, the City of Arlington, Texas (the “**City**”), a political subdivision of the State of Texas (the “**State**”), has, pursuant to Chapters 53 and 53A of the Texas Education Code, as amended (the “**Act**”), approved and created the Issuer as a nonstock, nonprofit corporation;

WHEREAS, the Issuer is a duly constituted authority and instrumentality of the City (within the meaning of those terms in the Regulations of the Department of the Treasury and the rulings of the Internal Revenue Service (the “**IRS**”) prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “**Code**”));

WHEREAS, the Issuer, on behalf of the City, is empowered to issue its revenue bonds in order to enable “accredited primary or secondary school” or “authorized charter school” to finance or refinance the acquisition, construction, enlargement, extension, repair, renovation, or other improvements to an educational or housing facility or any facilities incidental, subordinate, or related thereto or appropriate in connection therewith, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to such bonds;

WHEREAS, pursuant to the Act, Logos Preparatory Academy (the “**Company**”) is a primary or secondary school that is accredited by ACSI which is an accreditation body that is a member of the Texas Private School Accreditation Commission;

WHEREAS, in furtherance of the purposes of the Act, the Issuer proposes to issue its revenue bonds pursuant to a Board Resolution of the Issuer authorizing the issuance of the Bonds and this Indenture, which will be designated “Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026” (the “**Series 2026 Bonds**” or the “**Bonds**”) the proceeds of which will be loaned to the Company to be used to (i) finance and refinance the cost of the acquisition, construction, enlargement, extension, repair, renovation, or other improvement of certain “educational facilities” (as that term is defined in the Act) and facilities incidental, subordinate or related thereto or appropriate in connection therewith, (ii) establish a debt service reserve fund, (iii) fund capitalized interest and (iv) pay the costs of issuing the Bonds;

WHEREAS, the Issuer and the Company have entered into a Loan Agreement, dated as of even date herewith (the “**Agreement**”), providing for (i) a loan from the Issuer to the Company of the proceeds of the sale of the Bonds, and (ii) the repayment of such loan by the Company;

WHEREAS, contemporaneously with the execution and delivery of this Indenture, the parties to the Bond Documents (as defined herein) have executed and delivered the other Bond Documents for the purposes of effecting the issuance of the Bonds, furthering the public purposes of the Act, and securing to the Bondholders the payment of the Bond Obligations (as defined herein); and

WHEREAS, all things necessary to make the Bonds, when issued, executed and delivered by the Issuer and authenticated by the Trustee pursuant to this Indenture, the valid, legal and binding limited obligations of the Issuer, and to constitute this Indenture a valid pledge of certain income, revenues and assets derived from the proceeds of the Bonds and from the Agreement for the payment of the Bond Obligations have been performed, and the execution and delivery of this Indenture, and the creation, execution and issuance of the Bonds subject to the terms hereof, have in all respects been duly authorized;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration and the mutual benefits, covenants and agreements set forth below, the parties agree as follows:

GRANTING CLAUSES

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of the Bond Obligations and the performance of the covenants herein contained and to declare the terms and conditions on which the Outstanding Bonds are secured, and in consideration of the premises, of the purchase of the Bonds by the Bondholders thereof, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the Issuer by these presents does grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over, and confirm to the Trustee, forever, all and singular the following described properties, and grants a security interest therein for the purposes herein expressed, to-wit:

GRANTING CLAUSE FIRST

All right, title, and interest of the Issuer in and to the Agreement, including all amounts payable thereunder, including but not limited to the Loan Payments (as defined in the Agreement), the Series 2026 Note, any and all security heretofore or hereafter granted or held for the payment thereof, and the present and continuing right to bring actions and proceedings under the Agreement or for the enforcement thereof and to do any and all things which the Issuer is or may become entitled to do thereunder, but excluding the amounts agreed to be paid by the Company pursuant to Sections 4.7, 5.1 and 5.6 and 6.6 of the Agreement (the “**Issuer’s Unassigned Rights**”);

GRANTING CLAUSE SECOND

All right, title, and interest of the Issuer in and to all money and investments held for the credit of the funds and accounts established by or under this Indenture (except the Rebate Fund) as hereinafter described; and

GRANTING CLAUSE THIRD

Any and all property that may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien and security interest hereof by the Issuer or by anyone on its behalf (and the Trustee is hereby authorized to receive the same at any time as additional security hereunder), which subjection to the lien and security interest hereof of any such property as additional security may be made subject to any reservations, limitations, or conditions that shall be set forth in a written instrument executed by the Company or the Person so acting on its behalf or by the Trustee respecting the use and disposition of such property or the proceeds thereof;

TO HAVE AND TO HOLD all said property, rights, privileges, and franchises of every kind and description, real, personal or mixed, hereby and hereafter (by supplemental instrument or otherwise) granted, bargained, sold, alienated, remised, released, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, set over, or confirmed as aforesaid, or intended, agreed, or covenanted so to be, together with all the appurtenances thereto appertaining (said properties, rights, privileges, and franchises together with any cash and securities hereafter deposited or required to be deposited with the Trustee being herein collectively referred to as the “**Trust Estate**”) unto the Trustee and its successors and assigns forever;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of the Bondholders from time to time of the Outstanding Bonds without any priority of any such Bonds over any other such Bonds except as herein otherwise expressly provided;

UPON CONDITION that, if the Issuer, or its successors or assigns shall well and truly pay, or cause to be paid, the principal of (and premium, if any) and interest on the Bonds according to the true intent and meaning thereof, or there shall be deposited with the Trustee such amounts in such form in order that no Bonds shall remain Outstanding as herein defined and provided, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of the Bond Documents, then upon the full and final payment of all such sums and amounts secured hereby or upon such deposit, this Indenture and the rights, titles, liens, security interests, and assignments herein granted shall cease, determine, and be void and this grant shall be released by the Trustee in due form at the expense of the Company, except only as herein provided; otherwise this grant to be and shall remain in full force and effect;

AND IT IS HEREBY COVENANTED AND DECLARED that all Bonds are to be issued, authenticated and delivered and the Trust Estate is to be held and applied by the Trustee, subject to the further covenants, conditions, and trusts hereinafter set forth, and the Issuer does hereby covenant and agree to and with the Trustee, for the equal and proportionate benefit of all Bondholders, except as herein otherwise expressly provided, as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101. Construction of Terms; Definitions.

(a) For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) “**Indenture**” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

(2) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(3) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular. Terms used herein but defined only in the Agreement or Master Indenture have the meanings assigned to them in the Agreement or the Master Indenture, as applicable. Reference to any Bond Document means that Bond Document as amended or supplemented from time to time. Reference to any party to a Bond Document means that party and its successors and assigns.

(b) The following terms have the meanings assigned to them below whenever they are used in this Indenture except to the extent otherwise defined in EXHIBIT A hereto:

“**Accredited Investor**” shall have the meaning given to an “accredited investor” in Regulation D of the Securities Act of 1933.

“**Act**” means Chapters 53 and 53A of the Texas Education Code, including particularly Sections 53A.35(b) and 53A.48 of such Chapters.

“**Act of Bankruptcy**” means the filing of a petition in bankruptcy under the United States Bankruptcy Code, or the institution of proceedings under State insolvency or other laws affecting creditors’ rights generally, by or against the Issuer or the Company as debtor; provided that such filings or proceedings have not been dismissed or, if dismissed, are subject to appeal.

“**Agreement**” means the Loan Agreement, dated as of the date of this Indenture, between the Issuer and the Company relating to the loan of the proceeds of the Bonds.

“**Authenticating Agent**” means the Person designated pursuant to Section 812 hereof to perform the duties of such set forth in this Indenture, initially the Trustee.

“Authorized Denominations” means, with respect to the Bonds, \$100,000 and any integral multiple of \$5,000 in excess thereof, except that a Bond held by a Bondholder that has become held in a denomination of less than \$100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Bondholder or subsequent Bondholder but only to transferees permitted under this Indenture; provided that upon and after receipt by the Trustee from the Company of a rating letter by a Rating Service indicating that the Bonds are rated “BBB-” or “Baa3,” as applicable, or better, Authorized Denominations shall mean \$25,000 and any integral multiple of \$5,000 in excess thereof.

“Authorized Representative” means the Chairman of the Board of Directors of the Company, the Head of School, the Finance Director or any other person duly appointed by the Governing Body of the Company to act on behalf of the Company, each as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by an authorized officer of the Company. The Trustee may rely on such written certificate until it is given written notice to the contrary.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time.

“Board Resolution” of any specified Person means a copy of a resolution certified by the Person responsible for maintaining the records of the Governing Body of such Person to have been duly adopted by the Governing Body of such Person and to be in full force and effect on the date of such certification and delivered to the Trustee.

“Bond Counsel” means Butler Snow LLP or such other attorney or firm of attorneys nationally recognized as having expertise in the practice of tax exempt municipal finance law as approved by the Company.

“Bond Documents” means this Indenture, the Agreement, the Series 2026 Note, the Bonds, the Master Indenture, the Supplemental Master Indenture, the Bond Purchase Agreement, the Deed of Trust, and all other agreements, documents and instruments ever delivered pursuant to any of the foregoing and any and all future renewals and extensions or restatements of any of the foregoing.

“Bond Obligations” means all principal of (and premium, if any) and interest on the Bonds and any other amounts which may be owed by the Company to, or on behalf of, the Issuer or the Trustee under the Bond Documents.

“Bond Purchase Agreement” means the Bond Purchase Agreement among the Issuer, the Company, and the Underwriter relating to the Bonds.

“Bond Register” and **“Bond Registrar”** have the respective meanings specified in Section 204.

“Bond Year” has the meaning given to such term in the Agreement.

“Bondholder” means, in the case of a Bond not in Book-Entry-Only Form, a Person in whose name a Bond is registered in the Bond Register, and in the case of a Bond in Book-Entry-Only Form, the owner of a beneficial ownership interest in such Bond. A Person’s qualification as a beneficial owner shall be demonstrated by such showings as shall be reasonably acceptable to the Trustee.

“Bonds” means the Series 2026 Bonds.

“Book-Entry-Only Form” or **“Book-Entry-Only System”** means, with respect to the Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Bonds 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 Bondholder, with the physical bond certificates held in the custody of the Depository.

“Business Day” means any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions or trust companies in the City of New York, New York, Kansas City, Missouri, Costa Mesa, California, or in the cities where the Corporate Trust Office of the Trustee or its payment office are located or are authorized or obligated by law, regulation or executive order to close or remain closed.

“Campaign Receipts” means funds received by the Company pursuant to capital campaign pledges and deposited in the Special Redemption Account in the Debt Service Fund established pursuant to Section 403 and used for special optional redemption of the Bonds in an aggregate principal amount up to \$[_____].

“Capitalized Interest Account” means the Capitalized Interest Account in the Debt Service Fund established pursuant to Section 403.

“City” means the City of Arlington, Texas.

“Closing Date” means the date on which the Bonds are first authenticated and delivered to the initial purchasers thereof against payment therefor.

“Company” means Logos Preparatory Academy, a Texas non-profit corporation, its permitted successors and assigns, and any resulting, surviving or transferee Person permitted hereunder.

“Comptroller” means the Texas Comptroller of Public Accounts, or any successor thereto.

“Computation Date” has the meaning given to such term in the Agreement.

“Consent,” “Order,” and **“Request”** of any specified Person mean, respectively, a written consent, order, or request signed in the name of such Person and delivered to the Trustee by (i) an authorized officer of the Issuer or (ii) an Authorized Representative of the Company or (iii) the Commissioner or designee, as the case may be.

“Construction Consultant” has the meaning assigned to such term in the Agreement.

“Corporate Trust Office” means the address or addresses of the Trustee designated from time to time pursuant to Section 105.

“Costs of Issuance” means the cost of financing, legal, printing and other costs attributable to the issuance of the Bonds within the meaning of Section 147(g) of the Code.

“Debt Service” means as of any particular date of computation, with respect to the Bonds and with respect to any period, the aggregate of the amounts to be paid or set aside by the Issuer as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on the Bonds; assuming in the case of Bonds required to be redeemed or prepaid as to principal prior to Maturity that the principal amounts thereof will be redeemed prior to Maturity in accordance with the mandatory redemption provisions applicable thereto.

“Debt Service Fund” means the special trust fund created pursuant to Section 403 of this Indenture.

“Debt Service Reserve Fund” means the special trust fund created pursuant to Section 406 of this Indenture.

“Deed of Trust” has the meaning assigned to such term in the Master Indenture.

“Defeasance Obligations” means the following obligations subject to Section 1207.062(b), Texas Government Code:

(1) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States;

(2) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and

(3) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent.

“Depository” means any securities depository that is 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, as amended, operating and maintaining, with its participants or otherwise, a Book-

Entry-Only System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book-Entry-Only Form. The initial Depository for the Bonds shall be DTC.

“**DTC**” means The Depository Trust Company, New York, New York, the initial securities depository of the Book Entry-Only System described in Section 211 hereof. DTC is a limited purpose trust company organized under the laws of the State of New York, 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, as amended.

“**Eligible Securities**” means, to the extent permitted by law (as determined by the Company but not the Trustee), obligations or securities now or hereafter authorized as investments under the Public Funds Investment Act, maturing or redeemable at the option of the Trustee, or marketable, prior to the maturities thereof, at such time or times as to enable disbursements to be made from the Debt Service Fund, the Debt Service Reserve Fund, the Project Fund and the Rebate Fund in accordance with the terms hereof. Eligible Securities include, subject to amendment of the Public Funds Investment Act;

(1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

(2) direct obligations of the State or its agencies and instrumentalities;

(3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

(4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

(5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent;

(6) bonds issued, assumed or guaranteed by the State of Israel;

(7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor;

(8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this State that the Company selects from a list the governing body of the Company or designated investment committee of the Company adopts as

required by Section 2256.025, Texas Government Code; or (ii) a depository institution with a main office or branch office in the State that the Company selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the Company's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the Company appoints as the Company's custodian of the banking deposits issued for the Company's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the SEC and operating under SEC Rule 15c3-3;

(9) (i) certificates of deposit or share certificates meeting the requirements of Public Funds Investment Act, that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or their respective successors, and are secured as to principal by obligations described in clauses (1) through (8) or in any other manner and provided for by law for Company deposits, or (ii) certificates of deposits where (a) the funds are invested by the Company through (A) a broker that has its main office or a branch office in the State and is selected from a list adopted by the Company as required by law, or (B) a depository institution that has its main office or branch office in the State that is selected by the Company, (b) the broker or the depository institution selected by the Company arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the Company, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the Company appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d), Texas Government Code, or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the Company with respect to the certificates of deposit;

(10) fully collateralized repurchase agreements as defined in the Public Funds Investment Act, that have a defined termination date, are secured by a combination of cash and obligations described in clauses (1) or (13) in this paragraph, require the securities being purchased by the Company or cash held by the Company to be pledged to the Company, held in the Company's name, and deposited at the time the investment is made with the Company or with a third party selected and approved by the Company, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State;

(11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses

(1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Company, held in the Company's name and deposited at the time the investment is made with the Company or a third party designated by the Company; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less;

(12) certain bankers' acceptances with stated maturity of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency;

(13) commercial paper with a stated maturity of 365 days or less that is rated not less than "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a United States or state bank;

(14) no-load money market mutual funds registered with and regulated by the SEC that provide the Company with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and that comply with federal SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and

(15) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and have either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities, other than the prohibited obligations described below, in an amount at least equal to the amount of bond proceeds invested under such contract.

The Company may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, other than the prohibited obligations described below, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Company, held in the Company's name and deposited at the time the investment is made with the Company or a third party designated by the Company; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less.

“Event of Default” is defined in Article VII of this Indenture.

“Exempt Person” means a state or local governmental unit or an organization exempt from federal income taxation under Section 501(a) of the Code by reason of being described in Section 501(c)(3) of the Code.

“Facilities Consultant” means an Independent firm selected by the Company having the skill and experience to render the report with respect to the physical condition of the Project pursuant to Section 4.8 of the Loan Agreement.

“Favorable Opinion of Bond Counsel” means, with respect to any action the taking of which requires such an opinion, an unqualified opinion of Bond Counsel delivered to and in form and substance satisfactory to the Issuer and in form satisfactory to the Trustee to the effect that such action does not violate the laws of the State (including the Act), the Code and this Indenture and will not adversely affect the exclusion of interest on the Series 2026 Bonds from gross income for purposes of federal income taxation.

“Governing Body” of any specified Person means the board of directors or board of trustees of such Person or any duly authorized committee of that board, or if there be no board of trustees or board of directors, then the person or body which pursuant to law or the organizational documents of such Person is vested with powers similar to those vested in a board of trustees or a board of directors.

“Independent” when used with respect to any specified Person means such a Person who (i) is in fact independent, (ii) does not have any direct financial interest or any material indirect financial interest in the Company, and (iii) is not connected with the Company as an officer, employee, promoter, trustee, partner, director or person performing similar functions. Whenever it is herein provided that any Independent Person’s opinion or certificate shall be furnished to the Trustee, such Person shall be appointed by Company Order and such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“Initial Bonds” means the initial Series 2026 Bond authorized in Section 210 herein.

“Interest Payment Date” means each June 1 and December 1, commencing June 1, 2026.

“Interest Rates” means the interest rates as set forth in Section 202(a) of this Indenture for the Series 2026 Bonds.

“Investment Advisor” means Stifel Capital Management, in its capacity as the investment advisor to the Company.

“Issuer” means Arlington Higher Education Finance Corporation, a non-stock, non-profit corporation organized under the Act.

“Loan” means the loan made by the Issuer to the Company pursuant to the Agreement.

“Management Consultant” means a firm of Independent professional management consultants, including an Independent school management organization, knowledgeable in the operation of public or private schools and having a favorable reputation for skill and experience in the field of public or private school management consultation.

“Master Indenture” means that certain Master Trust Indenture and Security Agreement, dated as of March 1, 2026, between the Company and the Master Trustee, as heretofore or hereafter amended or supplemented from time to time in accordance with its terms.

“Master Trustee” means UMB Bank, National Association, a national banking association, with a corporate trust office in Costa Mesa, California, serving as master trustee pursuant to the Master Indenture or any successor thereto pursuant to the provisions of the Master Indenture.

“Maturity” or **“Maturity Date”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein or herein provided, whether at the Stated Maturity thereof or by call for redemption or otherwise.

“Officer’s Certificate” of any specified Person means a certificate signed by the Chairman of the Governing Body or an Authorized Representative of the Company or any other Person designated to execute an Officer’s Certificate as evidenced by a certificate of any such Person delivered to the Trustee.

“Opinion of Counsel” means a written opinion of counsel, who may (except as otherwise expressly provided) be counsel to any party to a Bond Document, and shall be satisfactory to the Trustee.

“Outstanding” when used with respect to any Bonds means, as of the date of determination, all Bonds theretofore authenticated and delivered under this Indenture, except:

(1) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(2) Bonds for whose payment or redemption money (or Defeasance Obligations to the extent permitted by Section 1002 of this Indenture) in the necessary amount has been theretofore deposited with the Trustee or any paying agent for such Bonds in trust for the Bondholders pursuant to this Indenture; provided, that, if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or irrevocable provision therefor satisfactory to the Trustee has been made;

(3) Bonds upon transfer of or in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture; and

(4) Bonds alleged to have been destroyed, lost, or stolen which have been paid as provided in Section 205; provided, however, that in determining whether the holders of the requisite principal amount of Outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned of record or beneficially by the Company or any other obligor upon the Bonds or the Series 2026 Note or such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds that the Responsible Officer actually knows to be so owned shall be so disregarded. Bonds so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Company or any other obligor upon the Bonds or the Series 2026 Note or such other obligor.

"Paying Agent" means initially the Trustee, and any other Person authorized by the Issuer to pay the principal of (and premium, if any) or interest on any Bonds on behalf of the Issuer.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Place of Payment" for the Bonds means a city or any political subdivision thereof designated as such in the Bonds.

"Proceeds Fund" means the special fund created pursuant to Section 402 of this Indenture.

"Project" means the Project described in Exhibit A to the Agreement.

"Project Fund" means the special trust fund created in Section 404 of this Indenture.

"Public Funds Investment Act" means Chapter 2256, Texas Government Code, as amended.

"Qualified Institutional Buyer" shall have the meaning given to a "qualified institutional buyer" under Rule 144A of the Securities Act of 1933.

"Rating Service" means each nationally recognized securities rating service which at the time has a credit rating assigned to the Bonds.

"Rebate Fund" means the special trust fund created in Section 405 of this Indenture.

"Record Date" means the close of business for the Trustee on the fifteenth day of the preceding calendar month in which any Interest Payment Date occurs regardless of whether such day is a Business Day.

“Regulations” means the applicable proposed, temporary or final Income Tax Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Repair and Replacement Fund” means the special trust fund created in Section 409 of this Indenture.

“Repair and Replacement Fund Requirement” means \$200,000, provided that, pursuant to Section 4.8 of the Agreement, a Facilities Consultant shall review the Repair and Replacement Fund Requirement from time to time (but not less frequently than once every five years) commencing March 1, 2031. If such review indicates that the Repair and Replacement Fund Requirement should be changed, the Company shall implement such recommendations to the fullest extent feasible and notify the Trustee of the revised Repair and Replacement Fund Requirement (upon which the Trustee may conclusively rely); and provided further that the Repair and Replacement Fund Requirement shall not be less than \$200,000.

“Requisition Certificate” means any Requisition Certificate in substantially the form attached as EXHIBIT B to this Indenture.

“Reserve Fund Requirement” means, as of the Closing Date of the Series 2026 Bonds, an amount equal to the lesser of (i) 10% of the “Issue Price” of all Series 2026 Bonds, (ii) 1.25 times the average annual principal and interest requirements of all Series 2026 Bonds, or (iii) the maximum annual principal and interest requirements of all Series 2026 Bonds.

“Responsible Officer” when used with respect to the Trustee means the officer in the Corporate Trust Office of the Trustee having direct responsibility for administration of this Indenture.

“Series 2026 Bonds” means Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026 and any bonds issued upon transfer thereof or in exchange therefor or in lieu thereof.

“Series 2026 Note” means the promissory note in the form attached to the Supplemental Master Indenture as Exhibit A, which is secured by the Master Indenture, executed by the Company and dated the Closing Date in the principal amount of the Series 2026 Bonds.

“Special Record Date” has the meaning set forth in Section 206 hereof.

“State” means the State of Texas.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Supplemental Master Indenture” means the Supplemental Master Indenture No. 1 dated as of March 1, 2026, between the Company and Master Trustee.

“Trust Estate” is defined in the Granting Clauses of this Indenture.

“Trustee” means UMB Bank, National Association, a national banking association, with a corporate trust office in Costa Mesa, California, serving as Trustee pursuant to this Indenture or any successor thereto pursuant to the provisions of this Indenture.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated, as the initial purchaser of the Series 2026 Bonds.

Section 102. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 103. Form of Documents Delivered to Trustee. Every certificate and every Opinion of Counsel with respect to compliance with a condition or covenant provided for in this Indenture shall include a statement that the Person making such certification or opinion has read such covenant or condition and the definitions relating thereto, has made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether such covenant or condition has been complied with, and a statement whether such condition or covenant has been complied with. In any case where several matters are required to be certified by or covered by an opinion of any specified Person, it is not necessary that all such matters be certified by or covered by the opinion of only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of any officer of a Person may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which such officer’s certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, in so far as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of a specified Person stating that the information with respect to such factual matters is in the possession of such Person, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 104. Acts of Bondholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Bondholders may be embodied in and

evidenced by one or more instruments of substantially similar tenor signed by such Bondholders in person or by their agent or agents duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “Act” of the Bondholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 801) conclusive in favor of the Trustee and the Issuer, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of such signer’s authority. The fact and date of the execution of any such instrument or writing, or the authority of the person executing the same, may also be proved in any other manner which the Trustee deems sufficient in its sole discretion.

(c) The ownership of Bonds shall be proved by the Bond Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act by any Bondholder shall bind every Bondholder issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Bond.

Section 105. Notice Addresses. Any request, demand, authorization, direction, notice, consent, waiver or Act of Bondholders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(a) the Trustee by any Bondholder or by any specified Person shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with and actually received by a Responsible Officer of the Trustee at its Corporate Trust Office located at 3070 Bristol Street, Suite 300, Costa Mesa, California 92626, or at any other address subsequently furnished in writing to the Bondholders and the other parties to the Bond Documents by the Trustee;

(b) the Issuer by any Bondholder or by any specified Person shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to the Issuer addressed to it at Arlington Higher Education Finance Corporation, 4381 W. Green Oaks Blvd., Suite 200, Arlington, Texas 76016, Attention: Phillip Wambsganss, or at any other address subsequently furnished in writing to the Trustee and the Company by the Issuer;

(c) the Company by any Bondholder or by any specified Person shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage

prepaid, to the Company addressed to it at Logos Preparatory Academy, 13303 Southwest Freeway, Sugar Land, Texas 77478, Phone: (281) 565-6467, Attention: Head of School, or at any other address subsequently furnished in writing to the Master Trustee by the Company;

(d) the Underwriter shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to Stifel, Nicolaus & Company, Incorporated, 2121 Avenue of the Stars, Suite 2150, Los Angeles, California 90067 Attention: John Kim, or at any other address subsequently furnished in writing to the Trustee by the Underwriter.

Section 106. Notices to Bondholders; Waiver. Where this Indenture provides for notice to Bondholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Bondholder affected by such event, at such Bondholder's address as it appears on the Bond Register, not later than the latest date, and not earlier than the earliest date, prescribed for the delivery of such notice. In any case where notice to Bondholders is given as provided herein, neither the failure to send such notice, nor any default in any notice so sent to any particular Bondholder shall affect the sufficiency of such notice with respect to other Bondholders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 107. Successors and Assigns. All covenants and agreements in this Indenture by the Issuer and the Trustee shall bind their respective successors and assigns, whether so expressed or not.

Section 108. Entire Agreement; Severability Clause. This Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written. In case any provision in this Indenture or in the Bonds or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby.

Section 109. Benefits of Indenture. Nothing in this Indenture or in the Bonds, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder, any separate trustee or co-trustee appointed hereunder, the Company and the Bondholders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 110. Governing Law; WAIVER OF TRIAL BY JURY. This Indenture shall be governed, in all respects including validity, interpretation and effect by, and shall be enforceable in accordance with, the laws of the State. EACH OF THE PARTIES HERETO HEREBY WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION

DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS INDENTURE.

Section 111. Directors, Officers, Employees, and Agents Exempt from Personal Liability. No recourse under or upon any obligation, covenant, or agreement contained in this Indenture, the other Bond Documents, or in any Bond, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, or against any past, present, or future director, officer, council member, commissioner or employee, as such, of the Issuer or the Trustee, or of any successor corporation or other entity, either directly or through the Issuer or the Trustee, whether by virtue of any constitution or statute or rule of law, or by the enforcement of any assessment, judgment, or penalty, or otherwise; it being expressly understood that this Indenture and the Bonds are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, or any past, present, or future directors, officers, council members, commissioners or employees, as such, of the Issuer, the Trustee, or any other successor corporation or other entity, or any of them, because of the creation of indebtedness hereby authorized, or under or by reason of the obligations, covenants, or agreements contained in this Indenture, the other Bond Documents, or the Bonds or implied therefrom, and that any and all such personal liability either at common law or equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, director, officer, council member, commissioner or employee, as such, are hereby expressly waived and released as a condition of, and in consideration for, the execution of this Indenture and the other Bond Documents, and the issuance of the Bonds.

Section 112. No Pecuniary Liability of the Issuer or the City. No agreements or provisions contained herein, nor any agreement, covenant, or undertaking by the Issuer in connection with the Project or the issuance, sale, and/or delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or the City or a charge against their general credit, or shall obligate the Issuer or the City financially in any way, except as may be payable from the revenues pledged hereby for the payment of the Bonds and their application as provided in this Indenture. No failure of the Issuer to comply with any term, covenant, or agreement contained in the Bonds, this Indenture or the Agreement, or in any document executed by the Issuer in connection with the Project or the issuance and sale of the Bonds, shall subject the Issuer or the City to liability for any claim for damages, costs, or other financial or pecuniary charge, except to the extent the same can be paid from revenues derived under the Agreement. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant, or agreement herein; provided that no costs, expenses, or other monetary relief shall be recoverable from the Issuer or the City, except as may be payable from the revenues pledged under this Indenture for the payment of the Bonds or other revenue derived under the Agreement. No provision, covenant, or agreement contained herein, or any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer or the City within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against the Issuer's or the City's general credit. In making the agreements, provisions, and covenants set forth in this Indenture, the Issuer has not

obligated itself, except with respect to the application of the revenues pledged in this Indenture for the payment of the Bonds or other revenues derived under the Agreement.

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS; ISSUANCE AND FORM OF BONDS

Section 201. Authorization and Form of Bonds.

(a) The Series 2026 Bonds shall be designated “Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026.” The aggregate principal amount of the Series 2026 Bonds is \$[_____]. The Series 2026 Bonds shall be numbered separately from R-1 upwards. The Bonds shall be issued only in fully registered form in Authorized Denominations.

(b) The Bonds, respectively, shall be substantially in the forms set forth in EXHIBIT A attached hereto, with such appropriate variations, omissions, and insertions as are permitted or required by this Indenture and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The Bonds may be typewritten, printed, lithographed, engraved or produced in similar manner. If any Bond is printed, any portion of the text of the Bond may be printed on the back of the Bond with an appropriate reference placed on the front of the Bond.

Section 202. Terms of Bonds.

(a) The Series 2026 Bonds shall be dated as of March 1, 2026, shall mature on June 1 in the years and in the amounts set forth below, and shall bear interest at the following rates from the later of (i) the date of delivery of the Series 2026 Bonds or (ii) the most recent Interest Payment Date to which interest has been paid or provided for:

<u>Year of Maturity</u> <u>(June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>

(b) The Bonds shall be subject to optional and mandatory redemption prior to maturity in the manner provided in the form of Bond set forth in EXHIBIT A, attached hereto.

(c) Interest on the Bonds shall be paid on each Interest Payment Date until the principal thereof shall have been paid or provided for. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

(d) Amounts due with respect to the Bonds shall be payable in lawful money of the United States. Payment of principal of, premium, if any, and interest on the Bonds shall be paid by check mailed to the registered holder thereof at his or her address as it appears on the Bond Register on the Record Date. Upon written request of a registered Bondholder of at least \$1,000,000 in principal amount of Bonds or all of any series of the Bonds, all payments of principal of, premium, if any, and interest on the Bonds shall be paid by wire transfer (at the risk and expense of such registered Bondholder) in immediately available funds to an account in the United States designated by such registered Bondholder upon fifteen (15) days prior written notice before a Record Date to the Trustee. CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal, premium, if any, and interest, whether by check or by wire transfer. Principal of, premium, if any, and interest on the Bonds that are in Book-Entry-Only Form will be paid in immediately available funds to DTC or its nominee, as the case may be, as Bondholder.

Section 203. Execution, Authentication and Delivery. The Bonds shall be executed on behalf of the Issuer by its President or its Vice President and attested to by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Bonds may be manual or facsimile.

Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Bonds or did not hold such offices at the date of such Bonds.

The Initial Bonds issued hereunder shall be registered by the Comptroller or by one of the Comptroller's deputies.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Bonds executed by the Issuer to the Authenticating Agent; the Authenticating Agent shall authenticate such Bonds; and the Bond Registrar shall register and deliver such Bonds as in this Indenture provided and not otherwise.

Prior to the initial delivery by the Trustee (in its capacity as Bond Registrar) of the Bonds, there shall be delivered to the Trustee:

(a) a Board Resolution of the Issuer authorizing the issuance, execution and delivery of the Bonds;

(b) a Company Order to authenticate and deliver the Bonds to the original purchasers upon payment to the Trustee for deposit or payment in accordance with the provisions of this Indenture of the sum specified in such Company Order;

(c) the Series 2026 Note, duly executed by the Company on behalf of itself and duly authenticated by the Master Trustee, payable to the Trustee or properly endorsed or assigned to the Trustee;

(d) executed counterparts of each of the Bond Documents;

(e) an Opinion of Counsel to each party to this Indenture, the Agreement, the Supplemental Master Indenture and the Deed of Trust to the effect that each such document has been duly authorized, executed and delivered by that party and that each such document constitutes a legal, valid, binding and enforceable obligation of that party subject to customary exceptions;

(f) the Opinion of Counsel specified in Section 202(c) of the Master Indenture;

(g) an opinion of Bond Counsel subject to the exceptions and qualifications set forth therein to the effect that (i) this Indenture has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms, and that all conditions precedent provided in this Indenture relating to the authentication and delivery of the Bonds have occurred, (ii) the Bonds have been duly authorized, executed, issued and delivered by the Issuer, are the legal and valid limited obligations of the Issuer, and are entitled to the benefits and security of this Indenture, (iii) the Bonds and the offering or sale of the Bonds are not required to be registered under the Securities Act of 1933, and this Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, and (iv) interest on the Series 2026 Bonds is excludable from gross income of the holders of the Series 2026 Bonds for federal income tax purposes; and

(h) the Initial Bonds, together with the approval of the Bonds by the Attorney General of Texas as evidenced by his approving opinion related thereto and initial registration of the Bonds by the Comptroller.

Section 204. Registration, Transfer and Exchange. The Trustee is hereby appointed as Bond Registrar (the “**Bond Registrar**”) for the purpose of registering Bonds and transfers of Bonds as herein provided. The Issuer shall cause to be kept at a corporate trust office or the principal payment office of the Bond Registrar or Bond Registrars for the Bonds, a register or registers (sometimes herein referred to as the “**Bond Register**”) in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Bonds and of transfers of Bonds. The Bond Registrar shall keep the Bond Register with respect to the Bonds, at its principal payment office in Costa Mesa, California.

Upon surrender for transfer of any Bond at the office or agency of the Trustee in a Place of Payment, the Issuer shall execute, the Authenticating Agent shall authenticate, and the Bond Registrar shall register and deliver, in the name of the designated transferee, one or more new Bonds of any Authorized Denomination, of a like aggregate principal amount, maturity and interest rate.

At the option of the Bondholder, Bonds may be exchanged for Bonds of any Authorized Denomination, of a like aggregate principal amount, series, Stated Maturity and interest rate, upon

the surrender of the Bonds to be exchanged at such office or agency. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Bond Registrar shall authenticate and deliver, the Bonds that the Bondholder making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall (if so required by the Issuer or the Bond Registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed by the holder thereof or such holder's attorney duly authorized in writing.

No service charge shall be made for any transfer or exchange of Bonds, but the Issuer and the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, other than exchanges expressly provided in this Indenture to be made without expense or without charge to Bondholders.

The Issuer and the Bond Registrar shall not be required (1) to issue, transfer or exchange any Bonds during a period beginning at the opening of business fifteen (15) days before the day a notice of redemption of Bonds selected for redemption under Section 303 is sent and ending at the close of business on the day such notice is sent or (2) to transfer or exchange any Bond selected for redemption in whole or in part.

Section 205. Mutilated, Destroyed, Lost and Stolen Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar, or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Bond Registrar such security or indemnity as may be required by it to save each of the Issuer and the Bond Registrar harmless, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and upon its request the Bond Registrar shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor, series, interest rate and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may (and upon Company Order shall), instead of issuing a new Bond, pay such Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Bond Registrar may require the payment by the Bondholder of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Bond Registrar) connected therewith.

Every new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond shall constitute an original additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to

all the benefits and security of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

Section 206. Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Bond is registered at the close of business on the Record Date for such interest.

Any interest on any Bond that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called “**Defaulted Interest**”) shall forthwith cease to be payable to the holder thereof on the relevant Record Date by virtue of having been such Bondholder; and such Defaulted Interest shall be paid by the Issuer (but only from the sources provided herein), to the Persons in whose names the Bonds are registered at the close of business on a special record date (“**Special Record Date**”) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Trustee, as agent of the Issuer, shall determine the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Issuer shall deposit (but only from the sources provided herein) with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of Persons entitled to such Defaulted Interest. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer, the Underwriter and the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the date and amount of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be sent, to each Bondholder at his address as it appears in the Bond Register, not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been sent as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names the Bonds are registered on such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, that were carried by such other Bonds.

Section 207. Persons Deemed Owners. The Issuer, the Trustee, the Authenticating Agent, the Bond Registrar and any of their respective agents may treat the Person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of (and premium, if any), and (subject to Section 206) interest on, such Bond and for all other purposes whatsoever whether or not such Bond be overdue, and except as otherwise provided in

this Indenture, none of the Issuer, the Trustee, or any agent of the Issuer or the Trustee shall be affected by notice to the contrary.

Section 208. Cancellation. All Bonds surrendered for payment, redemption, transfer or exchange shall, if delivered to any Person other than the Bond Registrar be delivered to the Bond Registrar and, if not already canceled, shall be promptly canceled by it. The Issuer or the Company may at any time deliver to the Bond Registrar for cancellation any Bonds previously authenticated and delivered hereunder that the Issuer or the Company may have acquired in any lawful manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Bond Registrar. No Bonds shall be authenticated in lieu of or in exchange for any Bonds canceled as provided in this Section, except as expressly permitted by this Indenture. All canceled Bonds held by the Bond Registrar shall be maintained or disposed of according to the retention policies of the Bond Registrar in effect from time to time.

Section 209. Limited Liability of Issuer. NONE OF THE CITY, THE STATE, A STATE AGENCY, OR ANY POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE SHALL BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE, OR ANY STATE AGENCY, POLITICAL CORPORATION OR POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

All obligations of the Issuer hereunder are limited, and are payable solely from and to the extent of money provided by or for the account of the Company, and it is a condition of each undertaking of the Issuer contained herein that, all such undertakings shall be performed at the expense of the Company. The Issuer shall not be required to advance its own funds in connection with the performance of any duty under this Indenture.

Section 210. Initial Bonds. Pending the preparation of definitive Bonds, the Issuer will execute and upon Company Order, the Bond Registrar shall deliver the Initial Bonds, which may be printed, lithographed, typewritten, mimeographed or otherwise produced, substantially of the tenor of the definitive Bonds in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Initial Bonds may determine, as evidenced by their execution of such Initial Bonds.

Upon the issuance of the Initial Bonds, the Issuer will cause definitive Bonds to be prepared without unreasonable delay. After the preparation of definitive Bonds, the Initial Bonds shall be exchangeable for definitive Bonds upon surrender of the Initial Bonds at the office of the Trustee in a Place of Payment, without charge to the Bondholder. Upon surrender for cancellation of the Initial Bonds, the Issuer shall execute, and the Bond Registrar shall authenticate and deliver in exchange therefor, a like principal amount of definitive Bonds of Authorized Denominations. Until so exchanged, the Initial Bonds shall in all respects be entitled to the same benefits under this Indenture as definitive Bonds so long as they shall have attached to them an executed registration certificate of the Comptroller in the form set forth in EXHIBIT A.

Section 211. Book-Entry-Only System.

(a) The Bonds may and initially shall be registered under a Book-Entry-Only System maintained by a Depository. Notwithstanding any inconsistent provisions in this Indenture to the contrary, the provisions of this Section 211 shall govern at any time the Bonds are issued and Outstanding in Book-Entry-Only Form.

(b) Under the Book-Entry-Only System, the Bonds shall be issued in the form of a separate, single, fully registered and immobilized bond certificate representing the aggregate principal amount of the Bonds. Except as provided herein, the ownership of such Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of The Depository Trust Company, which will serve as initial Depository for the Bonds. Ownership of beneficial interests in the Bonds shall be shown by book-entry on the system maintained and operated by the Depository and its participants and indirect participants (such participants and indirect participants being collectively referred to as the “**Participants**”), and transfers of ownership of beneficial interests shall be made only by the Depository and its Participants by book-entry, and the Issuer, the Company and the Trustee shall have no responsibility therefor. The Depository will be required to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants will be required to maintain records of the purchasers of beneficial interests in the Bonds (the “**Beneficial Owners**”). Except as provided in subsection (i) of this Section 211, the Bonds shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository.

(c) With respect to Bonds registered in the Bond Register in the name of the Depository or its nominee, the Issuer, the Company, the Bond Registrar and the Trustee shall have no responsibility or obligation to any Participant or to any Beneficial Owner for whom a Participant acquires an interest in the Bonds. NONE OF THE ISSUER, THE COMPANY, THE BOND REGISTRAR OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY THE DEPOSITORY OR ANY PARTICIPANT; (2) THE PAYMENT BY THE DEPOSITORY OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF, OR INTEREST, AND PREMIUM, IF ANY, ON OR REDEMPTION PRICE OF THE BONDS; (3) THE DELIVERY BY THE DEPOSITORY OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO HOLDERS UNDER THE TERMS OF THIS INDENTURE; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY THE DEPOSITORY AS OWNER OF THE BONDS. NONE OF THE ISSUER, THE COMPANY, THE BOND REGISTRAR OR THE TRUSTEE HAS ANY DIRECT OBLIGATION OR RESPONSIBILITY TO PARTICIPANTS OR BENEFICIAL OWNERS.

(d) So long as the Bonds or any portions thereof are registered in the name of a Depository or any nominee thereof, all payments of principal of (premium, if any) or interest on the Bonds or redemption price of such Bonds shall be made only to or upon the order of such Depository on the dates and at the times provided for such payment under this Indenture and at the

address indicated for such Depository in the Bond Register kept by the Bond Registrar by transfer of immediately available funds; provided that the Trustee has received sufficient funds from the sources described in this Indenture and the Agreement to make such payment. Each such payment to the Depository or its nominee shall be valid and effective to fully satisfy and discharge all liability of the Issuer or the Trustee with respect to the principal of (premium, if any) or interest on the Bonds and redemption price with respect to the Bonds so registered to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds Outstanding of any Stated Maturity, the Trustee shall not require surrender by the Depository or its nominee of the Bonds so purchased or redeemed, and the Depository may retain such Bonds. In the event of partial redemption of the Bonds, the Depository shall make an appropriate notation on the Bonds as to the amount of such partial redemption; provided that the Depository shall deliver to the Trustee, upon request, a written confirmation of such partial redemption and thereafter the records maintained by the Trustee shall be conclusive as to the amount of the Bonds of such Stated Maturity which have been redeemed. The Issuer, the Company and the Trustee shall not be liable for the failure of the Depository to properly indicate on the Bonds the payment of such principal or redemption price.

(e) All transfers of beneficial ownership interests in the Bonds when issued in Book-Entry-Only Form shall be effected by procedures promulgated by the Depository with its Participants for recording and transferring the ownership of beneficial interest in each of such Bonds.

(f) The Issuer, the Company, the Bond Registrar, and the Trustee and any of their respective agents may treat the Depository (or its nominee) as the sole and exclusive Bondholder of the Bonds registered in its name for the purposes of payment of the principal of (premium, if any) or interest on the Bonds or redemption price with respect to the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Indenture, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and the Issuer, the Company, the Bond Registrar and the Trustee shall not be affected by any notice to the contrary.

(g) So long as the Bonds are registered in the name of the Depository or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Indenture shall be given to the Depository. In connection with any notice or other communication to be provided to Bondholders pursuant to this Indenture by the Issuer, the Company or the Trustee with respect to any consent or other action to be taken by Bondholders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the Issuer or the Trustee may establish a special record date for such consent or other action. The Issuer or the Trustee shall give the Depository notice of such special record date not less than fifteen (15) calendar days in advance of such special record date to the extent possible.

(h) Any successor Trustee, in its written acceptance of its duties under this Indenture, shall agree to take any actions necessary from time to time to comply with the requirements of such Depository.

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving reasonable written notice to the Trustee and the Issuer and discharging its responsibilities with respect thereto under applicable law. Under such circumstance (if there is not a successor Depository), Bond certificates will be delivered as described elsewhere in Article II of this Indenture. Upon receipt of such notice from the Depository, the Trustee shall provide a copy of the notice to the Company. The Company, in its sole discretion, and without the consent of any other Person, may terminate the services of the Depository with respect to the Bonds if the Company determines that: (i) the Depository is unable to discharge its responsibilities with respect to the Bonds; or (ii) a continuation of the requirement that all of the Bonds be registered in the Bond Register in the name of the nominee of the Depository is not in the best interest of the Beneficial Owners. In the event that no substitute Depository is found by the Company or restricted registration is no longer in effect, Bond certificates will be delivered as described in Article II of this Indenture. Upon the termination of the services of the Depository with respect to the Bonds pursuant to this Section 211(i), after which no successor Depository willing to undertake the functions of the Depository hereunder can be found that, in the opinion of the Company, is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer be restricted to being registered in the Bond Register in the name of the nominee of the Depository, but may be registered in the name or names and in such maturities and principal amounts as the Depository shall designate in writing to the Bond Registrar in accordance with the provisions elsewhere in Article II of this Indenture, but without any liability on the part of the Issuer or the Bond Registrar for the accuracy of such designation. Upon the termination of the services of the Depository with respect to the Bonds for any reason and the appointment of a successor Depository, all references in this Indenture to the Depository shall refer to such successor Depository. Whenever the Depository requests the Issuer, the Company and the Trustee to do so, the Issuer, the Company and the Trustee shall cooperate with the Depository in taking appropriate action after reasonable notice to arrange for another Depository to maintain custody of certificates evidencing the Bonds.

(j) So long as any Bonds are registered in the name of the nominee of the Depository, a legend prescribed by the Depository to that effect may be printed on such Bond certificate.

Section 212. Investor Letter; Transfer Restrictions.

(a) Notwithstanding any other provision hereof, the Bonds may not be registered in the name of, or transferred to, and the Beneficial Owner cannot be, any person except an Accredited Investor or an Qualified Institutional Buyer; provided however, pursuant to Section 211, Bonds registered in the name of the Depository or its nominee shall be deemed to comply with this Section so long as each beneficial owner of the Bonds is an Accredited Investor or a Qualified Institutional Buyer. Each initial Beneficial Owner purchasing Bonds from the Underwriter shall provide to the Issuer and the Trustee an executed Investor Letter, substantially in the form attached hereto as EXHIBIT C.

(b) The foregoing limitation shall cease to apply (without notice to or consent of any Bondholder) upon and after receipt by the Trustee from the Company of a rating letter by a Rating Service indicating that the Bonds are rated “BBB-” or “Baa3,” as applicable, or better. The Trustee shall, as soon as practicable, but in no event more than 10 calendar days after receipt by the Trustee of such rating letter, notify each Bondholder that the restrictions set forth in this Indenture requiring

that the Beneficial Owners of the Bonds be Accredited Investors or Qualified Institutional Buyers shall be of no further force or effect.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption. The Bonds shall be subject to redemption as set forth in the form of Bond in EXHIBIT A hereto.

Section 302. Election to Redeem; Notice to Trustee. In case of any redemption at the election of the Company, the Company shall, at least thirty-five (35) days prior to the redemption date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee in writing of such redemption date and of the principal amount of Bonds of each Stated Maturity to be redeemed.

Section 303. Selection by Trustee of Bonds to be Redeemed. If less than all of the Bonds of a particular Stated Maturity are called for redemption, the particular Bonds or portions thereof to be redeemed shall be redeemed by the Trustee in accordance with the written direction of the Company; provided, however, that if the Bonds are registered in the Book-Entry-Only System, the method of redemption shall be in accordance with the procedures of the Depository, and portions of Bonds shall be redeemed in Authorized Denominations and that no redemption shall result in a Bond being held in less than an Authorized Denomination. Absent direction of the Company, the Trustee may select the Bonds to be redeemed by lot or other customary method.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond that has been or is to be redeemed.

Section 304. Notice of Redemption.

(a) Not less than twenty (20) days prior to any redemption date, but not more than sixty (60) days prior to any redemption date, the Trustee shall cause notice of the call for any redemption identifying the Bonds or portions thereof to be redeemed to be given in the name of the Issuer, to the holders of each Bond to be redeemed at the address shown on the Bond Register on the date such notices are sent. Any notice sent as provided in this Section shall be conclusively presumed to have been duly given, irrespective of whether received.

(b) Each notice of redemption shall state at a minimum, the complete official name of the issue, including series designation, CUSIP number, amounts called of each Stated Maturity (for partial calls), date of the notice, the date of issue, interest rate, maturity date of the Bonds called for redemption, the redemption date, the redemption price, the place or places of redemption, and appropriate address or addresses with name of contact person and telephone number. Unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice shall state that said redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If sufficient moneys are not

received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

(c) If any of the Bonds are redeemed pursuant to an advance refunding, notice of such advance refunding and redemption shall be given in the same manner as above provided, and within the same time period with respect to the actual redemption date.

Section 305. Deposit of Redemption Price. Subject to any condition to such redemption, on or prior to any redemption date, the Company shall deposit with the Trustee or with a Paying Agent an amount of money sufficient to pay the redemption price, premium, if any, and interest accrued thereon to the date fixed for redemption of all the Bonds which are to be redeemed on such date.

Section 306. Bonds Payable on Redemption Date. Notice of redemption having been given as aforesaid, and the deposit described in Section 305 having been made, and all conditions to such redemption having been fulfilled, the Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date such Bonds shall cease to bear interest. If, however, funds available to pay the redemption price have not been so deposited on the redemption date, the redemption will be cancelled. Upon surrender of any such Bond for redemption in accordance with said notice, such Bond shall be paid by the Issuer at the redemption price. Installments of interest whose Stated Maturity is on or prior to the redemption date shall be payable to the holders of such Bonds registered as such on the relevant Record Dates according to their terms.

If any Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond.

Section 307. Bonds Redeemed in Part. Any Bond which is to be redeemed only in part shall be surrendered at a Place of Payment (with, if the Issuer or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Trustee duly executed by, the holder of such Bond or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the holder of such Bond without service charge, a new Bond or Bonds of the same interest rate and Stated Maturity and of any Authorized Denomination as requested by such Bondholder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

ARTICLE IV

FUNDS AND INVESTMENTS

Section 401. Establishment of Funds; Source of Payment of the Bonds.

(a) The Issuer hereby establishes with the Trustee the Proceeds Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Project Fund and the Rebate Fund (collectively, the “**Funds**”). The Issuer reserves the right to establish additional trust funds, accounts or subaccounts from time to time.

(b) The Bonds and all payments by the Issuer hereunder are not and shall never become general obligations of the Issuer, but are special and limited obligations payable solely out of the Trust Estate and other payments made by the Company under the Agreement. Loan Payments made pursuant to the Agreement by the Company are to be made directly to the Trustee for the account of the Issuer and shall be deposited pursuant to the provisions of Section 4.1 of the Agreement. No covenant or agreement contained in the Bonds or in this Indenture shall be deemed to be the covenant or agreement of any officer, director, agent, or employee of the Issuer in his or her individual capacity and neither the members of the Board of Directors of the Issuer nor any official executing or authenticating the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability, by reason of the issuance or authentication thereof.

Section 402. Proceeds Fund. There is hereby created by the Issuer and established with the Trustee the special fund of the Issuer designated its “Logos Preparatory Education Revenue Bonds Series 2026 Proceeds Fund” (herein referred to as the “**Proceeds Fund**”). The proceeds of the sale of the Bonds shall be deposited into the applicable account of the Proceeds Fund and immediately transferred by the Trustee to the Debt Service Fund, the Debt Service Reserve Fund and Project Fund, all in the amounts and as specified in the Company Order to authenticate and deliver the Bonds.

Section 403. Debt Service Fund.

(a) There is hereby created by the Issuer and established with the Trustee the special fund of the Issuer designated its “Logos Preparatory Education Revenue Bonds Series 2026 Debt Service Fund” (herein referred to as the “**Debt Service Fund**”) and, within such Debt Service Fund, a “Series 2026 Bonds Account,” a “Capitalized Interest Account” and a “Special Redemption Account”. The money deposited to the Debt Service Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this Section and Section 707.

(b) The Trustee shall deposit to the credit of the corresponding account of the Debt Service Fund immediately upon receipt (1) amounts due and payable by the Company pursuant to Section 4.1(a) or (b) of the Agreement and the terms of the Series 2026 Note and (2) any other amounts delivered to the Trustee specifically for deposit thereto.

(c) On the Closing Date, the Trustee shall deposit into the Capitalized Interest Account any amounts as specified in the Company Order to authenticate and deliver the Bonds for the purpose of paying a portion of the interest coming due on the Bonds through [December 1, 2028] (such deposit to include any amount paid to the Trustee by the Company for such purpose as specified in the Company Order); provided the money deposited into the Capitalized Interest Account from the proceeds of the Bonds shall be in an amount for the payment of not more than two years’ interest coming due on the Bonds.

(d) On each Interest Payment Date, the Trustee shall withdraw money in an amount sufficient to pay the interest on the Bonds on such Interest Payment Date (i) first from the applicable subaccount of the Capitalized Interest Account, and (ii) second from the applicable account of the Debt Service Fund.

(e) On each Maturity Date for the Bonds, the Trustee shall withdraw money in an amount sufficient to pay the principal of such Bonds due on such Maturity Date from the applicable account of the Debt Service Fund.

(f) If there are insufficient funds in the Debt Service Fund to pay the Debt Service on the Bonds by 12:00 noon (Central Time) four (4) Business Days prior to any Interest Payment Date, the Trustee shall transfer from the Debt Service Reserve Fund to the appropriate account of the Debt Service Fund amounts necessary to make such payments from the Debt Service Fund on any Interest Payment Date.

(g) The Trustee shall deposit into the Special Redemption Account of the Debt Service Fund all amounts paid to the Trustee by the Company specifically for deposit to the credit of the Special Redemption Account. Moneys deposited into the Special Redemption Account will be used to redeem portions of the Series 2026 Bonds at par plus accrued interest, in connection with a special optional redemption pursuant to Section 301 and EXHIBIT A hereof; provided that any such redemption shall be by lot in Authorized Denominations. Ninety (90) days after the end of each Fiscal Year of the Company, any moneys remaining in the Special Redemption Account shall be transferred to the Series 2026 Bonds Account of the Debt Service Fund, and the Special Redemption Account shall be closed.

Section 404. Project Fund.

(a) There is hereby created by the Issuer and established with the Trustee the special fund of the Issuer designated its “Logos Preparatory Education Revenue Bonds Series 2026 Project Fund” (herein referred to as the “**Project Fund**”). The money deposited in the Project Fund, including all money therein and all investments thereof, shall be held in trust and applied solely as provided in this Section. The Project Fund shall contain a Project Account, a Costs of Issuance Account and an Insurance Proceeds Account. The Trustee shall have the authority to create subaccounts within the Project Account of the Project Fund as is necessary and convenient for the administration of such Account. The Trustee may transfer funds between subaccounts in the Project Account as needed to fund all or any portion of the Project.

(b) The Trustee shall deposit to the credit of the Project Fund or any account or subaccount therein all amounts paid to the Trustee by the Issuer or the Company specifically for deposit to the credit of the Project Fund and the proceeds of the Bonds to the extent specified by a Company Order.

(c) On the Closing Date, the Trustee shall disburse amounts in the Project Fund or any account or subaccount therein following receipt of and in accordance with the Closing Memorandum dated the Closing Date, prepared in connection with the closing of the Series 2026 Bonds and executed by an Authorized Representative of the Company. After the Closing Date, the Trustee shall disburse amounts in the Project Fund to pay or reimburse the Company for all other Project Costs no later than three (3) Business Days following receipt of and in accordance with a Requisition Certificate in substantially the form of EXHIBIT B to this Indenture. If such Requisition Certificate is to pay for goods, services or work performed on any Project, the Company shall ensure that the Requisition Certificate is approved in writing by the Construction Consultant; provided that, the approval of a Construction Consultant shall not be required for the

purchase of real property or for reimbursement of any Project Cost made to the Company. The Trustee shall have no obligation to determine if and when the Construction Consultant's approval is required, and may conclusively rely on the Company's representation that a disbursement does not require the approval of a Construction Consultant.

(d) Any moneys remaining in the Costs of Issuance Account ninety (90) days after the Closing Date and not needed to pay unpaid Costs of Issuance shall be deposited in the Project Account of the Project Fund. Upon final disbursement and/or transfer, the Trustee shall close the Costs of Issuance Account.

(e) The Trustee may rely fully on any Requisition Certificate in substantially the form of EXHIBIT B to this Indenture, and shall not be required to make any investigation in connection therewith.

(f) On the earlier of the end of the fifth Bond Year or after making all payments and deposits set forth herein, the Trustee shall transfer any amount then on deposit in the Project Fund to the Debt Service Fund unless the Trustee has received from the Company a Requisition Certificate for all or any portion of such amounts for payment of incurred but unpaid Project Costs. To the extent the amounts are transferred to the Debt Service Fund, such amounts may be used to (i) pay principal of or interest on the Bonds, subject to the limitations described in Section 1.148-6(d)(3) of the Regulations or (ii) redeem Bonds in Authorized Denominations, to the maximum degree permissible, and at the earliest dates at which the Bonds may be redeemed under this Indenture; provided, however, if the Bonds may not be redeemed, the Bonds may be defeased in accordance with Section 1.141-12 of the Regulations.

(g) In furtherance and not in limitation of this Section, all payments made from the Insurance Proceeds Account, the Reimbursement Account, the Project Account or the Costs of Issuance Account pursuant to a written requisition from the Company in the form required hereunder shall be presumed to be made properly and the Trustee shall not be required to make any investigation in connection therewith, including to see the application of any payments made from the Insurance Proceeds Account, the Reimbursement Account, the Project Account or the Costs of Issuance Account or to inquire into the purposes for which withdrawals are being made from such Accounts.

Section 405. Rebate Fund.

(a) There is hereby created by the Issuer and established with the Trustee the special fund of the Issuer designated as its "Logos Preparatory Education Revenue Bonds Series 2026 Rebate Fund" (herein referred to as the "**Rebate Fund**"). The money deposited to the Rebate Fund, together with all investments thereof and investment income therefrom shall be held in trust and applied solely as provided in this Section 405.

(b) The Trustee shall deposit or transfer to the credit of the Rebate Fund each amount delivered to the Trustee by the Company for deposit thereto and each amount directed by the Company to be transferred thereto.

(c) (1) Within five (5) days after each receipt or transfer of funds to the Rebate Fund in accordance with Section 5.3(n)(i)(B) of the Agreement (and in any event within sixty (60)

days after each Computation Date, assuming the Trustee has received the Rebate Report (as defined in the Agreement) by such time), the Trustee shall withdraw from the Rebate Fund and pay to the United States of America the balance of the Rebate Fund.

(2) Within five (5) days after receipt from the Company of any amount pursuant to Section 5.3(n)(i)(B) of the Agreement, the Trustee shall withdraw such amount from the Rebate Fund and pay such amount to the United States of America.

(3) All payments to the United States of America pursuant to this Section shall be made by the Trustee for the account and in the name of the Issuer and shall be paid by draft posted by registered United States Mail (return receipt requested), addressed to the appropriate IRS address accompanied by the relevant IRS Form 8038-T (or to such other applicable successor information return specified by the IRS) described in Section 5.3(n)(i)(B) or Section 5.3(n)(i)(C) of the Agreement, as the case may be.

(d) At the cost and expense of the Company, the Trustee shall preserve copies of all statements and forms received from the Company pursuant to Section 5.3(n) of the Agreement and all records maintained by it of transactions in the Rebate Fund and shall deliver such materials to the Company and, if requested, shall deliver copies thereof to the Issuer within sixty (60) days following the retirement of all of the Bonds.

(e) The Trustee may conclusively rely on the instructions of the Company with regard to any actions to be taken by it pursuant to this Section and shall have no liability for any consequences of any failure of the Company to supply accurate or sufficient instructions.

If at any time during the term of this Indenture the Issuer, the Trustee, or the Company desires to take any action which would otherwise be prohibited by the terms of this Section, such Person shall be permitted to take such action if it shall first obtain and provide to the other Persons named herein a Favorable Opinion of Bond Counsel.

Section 406. Debt Service Reserve Fund.

(a) There is hereby created by the Issuer and established with the Trustee the special fund of the Issuer designated its Education Revenue Bonds (Logos Preparatory Academy), Series 2026 Bonds Debt Service Reserve Fund” (the “**Debt Service Reserve Fund**”). On the Closing Date there shall initially be deposited in the Debt Service Reserve Fund from the proceeds of the Bonds an amount sufficient to cause the amount on deposit therein to equal the Reserve Fund Requirement, as specified in the Company Order to authenticate and deliver the Bonds. Except as otherwise provided herein, the Debt Service Reserve Fund at all times shall be maintained at an amount equal to the Reserve Fund Requirement. Amounts on deposit in the Debt Service Reserve Fund shall be invested pursuant to Company Order. Interest and other income received on investments of moneys in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund promptly following valuation pursuant to Section 406(d) hereof so long as the Debt Service Reserve Fund following such transfer is funded to an amount equal to the Reserve Fund Requirement.

(b) If there are insufficient funds in the Debt Service Fund to pay the Debt Service on the Bonds by 12:00 noon (Central Time) two Business Days prior to any Interest Payment Date,

the Trustee shall promptly transfer from the Debt Service Reserve Fund to the Debt Service Fund amounts necessary to make such payments from the Debt Service Fund on such Interest Payment Date.

(c) If the amount in the Debt Service Reserve Fund is less than the Reserve Fund Requirement because the Trustee has applied funds in the Debt Service Reserve Fund in accordance with (b) above, the Trustee shall promptly notify the Company in writing that a deficiency in the Debt Service Reserve Fund exists, and the Company shall, as provided in Section 4.6 of the Agreement, (1) within thirty (30) days of receipt of such notice pay to the Trustee the full amount needed to restore the amount in the Debt Service Reserve Fund to the Reserve Fund Requirement or, (2) at the Company's option, in six (6) consecutive equal monthly installments, the first of which shall be made within thirty (30) days from the date of the withdrawal, pay such deficiency to the Trustee for deposit into the Debt Service Reserve Fund to restore the amount in the Debt Service Reserve Fund to equal the Reserve Fund Requirement; provided that if any additional withdrawal occurs prior to the restoration of any withdrawal, such additional withdrawal shall be restored in equal monthly installments over the remainder of the restoration period for the initial withdrawal. Notwithstanding the foregoing, moneys in the Debt Service Reserve Fund may be applied pursuant to Company Order to pay Debt Service during the twelve (12) months immediately preceding and including the final Debt Service payment at maturity.

(d) The Trustee shall determine the Value of the Eligible Securities on deposit in the Debt Service Reserve Fund as of each June 2 and December 2 (or the succeeding Business Day if such day is not a Business Day), commencing June 2, 2026; provided that, if there is a deficiency in the Debt Service Reserve Fund, the Trustee shall determine such Value on a monthly basis until such deficiency is cured. The weighted average maturity of the Eligible Securities on deposit in the Debt Service Reserve Fund shall at no time exceed six (6) months; provided, however, that the Trustee shall have no responsibility to monitor such weighted average maturity and it shall be the sole responsibility of the Company to comply with this provision. If the Value of such Eligible Securities plus any moneys in the Debt Service Reserve Fund falls below the Reserve Fund Requirement, the Trustee shall promptly notify the Company, and the Company, as provided in Section 4.6 the Agreement, shall, in no more than four (4) consecutive equal monthly installments, each payable on the date that a Loan Payment is due, commencing in the month immediately succeeding the month in which the calculation of the Reserve Fund Requirement showed a deficiency in the Debt Service Reserve Fund, pay an amount equal to such deficiency to the Trustee for deposit in the Debt Service Reserve Fund to restore the amount in the Debt Service Reserve Fund to equal the Reserve Fund Requirement; provided, that any amounts being paid to the Trustee pursuant to paragraph (c) hereof shall be paid in accordance with such paragraph; provided further, that if any additional decline in Value occurs prior to the restoration of any decline, such additional decline shall be restored in equal monthly installments over the remainder of the restoration period for the initial decline. To the extent the Value of such Eligible Securities plus any moneys in the Debt Service Reserve Fund funded with gross proceeds of the Series 2026 Bonds exceeds the Reserve Fund Requirement, such excess shall be transferred to the Debt Service Fund.

(e) Upon any redemption, defeasance or purchase of the Bonds as a whole, the moneys on deposit in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund to be used for the purposes of such redemption or to an escrow fund for the purpose of defeasance, as

the case may be. Upon final Maturity of the Bonds, the Trustee shall transfer the balance on deposit in the Debt Service Reserve Fund to the Debt Service Fund.

Section 407. Investment of Funds.

(a) Pending disbursement of the amounts on deposit in any Fund, the Trustee shall promptly invest and reinvest such amounts in the particular Eligible Securities specified in any Company Order; provided that, if no such Company Order is delivered to the Trustee, all such amounts shall be held uninvested as cash. The Trustee shall have no discretion for investing funds or advising any parties on investing funds and the parties acknowledge that the Trustee is not providing investment supervision, recommendations, or advice. The Trustee may invest funds in its own proprietary money market funds or deposit products and the Trustee is hereby authorized, in making or disposing of any investment permitted by this Indenture, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Trustee or for any third person or dealing as principal for its own account. All such investments shall be credited to the fund, account or subaccount from which the money used to acquire such investments shall have come.

(b) All income and profits on investments in the Debt Service Fund, the Debt Service Reserve Fund, the Project Fund and the Rebate Fund shall be credited to those respective Funds. All losses on investments shall be charged against the fund and account to which such investments are credited. The Trustee shall have no responsibility or liability for any loss which may result from any investment or sale of investment made pursuant to this Indenture. The Trustee may make any investment through its own trust department or at the direction of the Investment Advisor. As amounts invested are needed for disbursement from any fund or account, the Trustee shall cause a sufficient amount of the investments credited to that fund to be redeemed or sold and converted into cash to the credit of that fund. The Trustee may conclusively rely on the written instructions of the Company in investing money in any Fund or account, and shall not be accountable for any depreciation in the value of the investments made in accordance with the provisions of this Article IV or for any losses incurred upon any authorized disposition thereof.

(c) The Company by its execution of the Agreement covenants to restrict the investment of money in the Funds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the Regulations.

(d) The Issuer and the Company (by their execution of the Agreement) acknowledge that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer or the Company the right to receive brokerage confirmation of security transactions as they occur, the Issuer and the Company waive receipt of such confirmations. The Trustee shall furnish to the Company a periodic statement, made at least yearly, that includes details of all investment transactions made by the Trustee.

(e) In the event of any Act of Bankruptcy, notwithstanding anything to the contrary in this Section, moneys in the Funds shall be invested and reinvested by the Trustee in Eligible Securities, at the written direction of the Beneficial Owners of a majority of the Bonds Outstanding, instead of the Company, which may direct the Trustee to follow the written directions

of one or more asset managers selected by the Beneficial Owners of a majority of the Bonds Outstanding, and the Trustee shall cease investing and reinvesting such moneys at the written direction of the Company.

Section 408. Trustee and Issuer Relieved From Responsibility. The Trustee and the Issuer may conclusively rely and shall be fully protected in relying upon any Company Order relating to investments and disbursements from any Fund, and shall not be liable for any losses or for interest on the Series 2026 Bonds becoming includable in gross income for federal income tax purposes as a result of complying with any such Company Order, and shall not be required to ascertain any facts with respect to any such Company Order.

Section 409. Repair and Replacement Fund.

(a) There is hereby created by the Issuer and established with the Trustee the special fund of the Company designated “Logos Preparatory Academy Education Revenue Bonds Series 2026 Repair and Replacement Fund” (herein referred to as the “**Repair and Replacement Fund**”). The money deposited in the Repair and Replacement Fund, including all money therein and all investments thereof, shall be held in trust and applied solely as provided in this Section.

(b) The Trustee shall deposit to the credit of the Repair and Replacement Fund immediately upon receipt (1) amounts due and payable by the Company pursuant to Section 4.8 of the Agreement and (2) any other amounts delivered to the Trustee specifically for deposit thereto.

(c) The Trustee shall disburse amounts in the Repair and Replacement Fund following receipt of and in accordance with a Requisition Certificate in substantially the form of EXHIBIT B to this Indenture to pay the costs of capital expenditures related to maintenance, improvements, and replacements required for the property, plant and equipment of the Company including, but not limited to, replacement of equipment, replacement of any roof or other structural component, exterior painting and the replacement of heating, air condition, plumbing, and electrical equipment. The Trustee shall disburse amounts in the Repair and Replacement Fund to pay or reimburse the Company for such costs no later than three (3) Business Days following receipt of and in accordance with a Requisition Certificate.

(d) The Trustee may conclusively rely on any Requisition Certificate. The Trustee shall keep and maintain adequate records pertaining to the Repair and Replacement Fund and all disbursements therefrom and shall annually file an accounting thereof with the Company.

ARTICLE V

COVENANTS OF THE ISSUER

Section 501. Payment of Debt Service; Limited Obligations. The Issuer will duly and punctually pay the principal of (and premium, if any) and interest on the Bonds in accordance with the terms of the Bonds and this Indenture; provided, however, that the Bonds and the other obligations of the Issuer provided for herein shall be limited obligations of the Issuer and shall be payable by the Issuer solely out of the Trust Estate and the revenues derived therefrom or in connection with the Bond Documents. The Bonds and the other expense reimbursement

obligations of the Issuer provided for herein shall never be payable out of any other funds of the Issuer except the Trust Estate and such revenues.

If the specified date for any such payment is not a Business Day, then such payment may be made on the next succeeding Business Day without additional interest and with the same force and effect as if made on the specified date for such payment.

Section 502. Money for Bond Payments to be Held in Trust; Appointment of Paying Agents. The Issuer shall appoint a Paying Agent in each Place of Payment for the Bonds. Each such Paying Agent appointed by the Issuer shall be a national banking association, state bank, bank and trust company or trust company appointed by the Company and meeting the qualifications of, and subject the obligations of, the Trustee in Article VIII. The Issuer will, prior to each due date of the principal of (and premium, if any) or interest on any Bonds, deposit or cause to be deposited (but only from the sources provided herein) with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the holders of such Bonds. Each Paying Agent for the Bonds shall provide the CUSIP number for the Bond with each payment of interest on and the principal or the redemption price of any Bond, specifying the amount paid in respect of each CUSIP number. The Paying Agents shall make payment of interest or the redemption price of any Bond, upon written request of a registered Bondholder of at least \$1,000,000 in principal amount of Bonds, by wire transfer (at the risk and expense of such registered Bondholder) in immediately available funds to an account in the United States designated by such registered Bondholder upon fifteen (15) days written notice to the Trustee prior to the Record Date.

The Issuer hereby appoints the Trustee as the initial Paying Agent for the Bonds. The Trustee hereby accepts such appointment by executing this Indenture in such capacity on the signature page hereto.

The Issuer will cause each Paying Agent other than the Trustee to execute and deliver to the Trustee and the Company an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

- (1) hold all sums held by it for the payment of principal of (and premium, if any) or interest on Bonds in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;
- (2) give the Trustee notice of any default by the Issuer (or any other obligor upon the Bonds) in the making of any such payment of principal (and premium, if any) or interest; and
- (3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company on behalf of the Issuer may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, by Company Order, direct any Paying Agent to pay to the Trustee all sums held in trust by such Paying Agent, such sums to

be held by the Trustee upon the same trusts as those upon which such sums were held by such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Subject to applicable escheat laws of the State, any money deposited in trust with the Trustee or any Paying Agent in trust for the payment of the principal of (and premium, if any) or interest on any Bond and remaining unclaimed for the later of (i) the first anniversary of the Stated Maturity of the Bond or the installment of interest for the payment of which such money is held or (ii) two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request (which Request shall include the Company's representation that it is entitled to such funds under applicable escheatment laws and its agreement to comply with such laws) and the holder of such Bond shall thereafter, to the extent of any legal right or claim, be deemed to be an unsecured general creditor, and shall look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer, shall thereupon cease; provided, however, notwithstanding the foregoing, the Trustee shall be entitled to deliver any such funds to any escheatment authority in accordance with the Trustee's customary procedures. The Trustee shall hold any such funds in trust uninvested (without liability for interest accrued from the date deposited) for the benefit of Bondholders entitled thereto.

Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Indenture. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within thirty (30) days thereafter, appoint such bank or trust company as shall be specified by the Company and acceptable to the Trustee and located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the Issuer shall fail to appoint a successor Paying Agent within said period, the Trustee shall make such appointment. No removal, resignation or termination of the Paying Agent shall take effect until a successor shall be appointed. Notice of the designation of a successor Paying Agent shall be sent by the Trustee by first-class mail to each Bondholder and to the Underwriter.

Section 503. Instruments of Further Assurance. The Issuer covenants that to the extent of its power to do so, it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assigning, pledging and confirming unto the Trustee of the Trust Estate assigned and the revenues pledged hereunder all at the expense of the Company. The Issuer has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the collateral granted hereunder that ranks on a parity with or prior to the lien granted hereunder. The Issuer has not described such collateral in a UCC financing statement that will remain effective on the Closing Date, other than any UCC financing statements filed in accordance with the Bond Documents. The Issuer will not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the collateral described hereunder that ranks prior to or on parity with the lien granted hereunder, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted by the Bond Documents. The security interest granted hereunder is

and shall be prior to any judicial lien hereafter imposed on such collateral to enforce a judgment against the Issuer on a simple contract.

Section 504. Maintenance of Rights. The Issuer will use its best efforts to perform and observe all obligations to be performed by it under the Bond Documents. The Issuer will maintain the validity and effectiveness of the Bond Documents and, except as permitted hereby, take no action, and not knowingly omit to take any reasonable action, the taking or omission of which might release any party from its liabilities or obligations under the Bond Documents, or result in the surrender, termination, amendment, or modification of, or impair the validity of, any Bond Document. The Issuer agrees that the Trustee, subject to the conditions thereof, may enforce for and on behalf of the Bondholders all of the covenants and agreements of the parties to the Bond Documents (other than the Trustee) as set forth in the Bond Documents, whether or not the Issuer is in default hereunder. At the cost and expense of the Company, the Trustee shall either (i) file continuation statements of such originally filed financing statement naming the Trustee a secured party as may be required to maintain the perfection and priority of the security interests granted hereby and by the Bond Documents, or (ii) request the Company to confirm to the Trustee, on an annual basis, the filing of continuation statements by the Issuer required to maintain the perfection and priority of the security interests granted hereby and by the Bond Documents. The Trustee is hereby authorized to make such filings. Notwithstanding the foregoing, the Trustee has no obligation with respect to the filing of continuation statements until such documents are provided to the Trustee with a copy of the initial filed financing statements, and the Trustee shall not be responsible for any initial, amendment, or other filings of any financing statements or the information contained therein (including the exhibits thereto), as the perfection of any security interests, the accuracy or sufficiency of or the proper recording or indexing of any financing or continuation statements. Unless otherwise notified in writing by the Company or the Issuer, the Trustee may conclusively rely upon such original financing statements in filing any continuation statements. The Trustee shall be fully protected in relying on information with respect to such initial filings delivered to it by or on behalf of the Issuer or the Company.

Section 505. Corporate Existence. Subject to Article VI hereof, the Issuer will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and rights (charter and statutory); provided, however, that the Issuer shall not be required to preserve any right if its Governing Body shall determine that the preservation thereof is no longer desirable in the conduct of the affairs of the Issuer and that the loss thereof is not disadvantageous in any material respect to the Bondholders.

Section 506. Limitations on Liens, Debt and Disposition of Assets. Except as permitted or contemplated in this Indenture, the Issuer covenants that it will not: (i) create any mortgage, lien, encumbrance, pledge, charge or other exception to title (other than those created by this Indenture) upon or against any of the properties or assets constituting the Trust Estate, or any revenues derived therefrom or any other funds held by the Trustee for the benefit of the Bondholders superior to or ranking on parity with the lien created by this Indenture; (ii) sell, lease, transfer, convey or otherwise dispose of all or any part of the Trust Estate or its interest therein except subject to the interests of the Trustee created by this Indenture; (iii) create, incur or assume any debt secured by the Trust Estate or the Issuer's interest therein or the revenues pledged herein; or (iv) knowingly take any other action that will impair the lien of this Indenture on the Trust Estate.

Section 507. Tax Covenants.

(a) The Issuer will not knowingly take any action, or omit to take any action, which action or omission, will adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2026 Bonds, and in the event of such action or omission will promptly, upon receiving knowledge thereof, take all lawful actions, based on advice of counsel and at the expense of the Company, as may rescind or otherwise negate such action or omission.

(b) The Issuer will not knowingly use or direct the use of any portion of the proceeds of the Series 2026 Bonds, including any investment income earned on such proceeds, directly or indirectly, to make or finance loans to Persons who are not Exempt Persons. For purposes of the preceding sentence, a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, constitutes a loan to a person who is not an Exempt Person.

(c) The Issuer agrees that until the final Maturity of the Series 2026 Bonds, it will not knowingly use or direct the use of any money on deposit in any fund or account maintained in connection with the Series 2026 Bonds, whether or not such money was derived from the proceeds of the sale of the Series 2026 Bonds or from any other source, in a manner that would cause the Series 2026 Bonds to be “arbitrage bonds,” within the meaning of Section 148 of the Code. In the event the Company notifies the Issuer that it is necessary to restrict or limit the yield on the investment of moneys held by the Trustee pursuant to this Indenture, or to use such moneys in any certain manner to avoid the Series 2026 Bonds being considered arbitrage bonds, the Issuer at the direction of the Company shall instruct the Trustee to take such action as is necessary to restrict or limit the yield on such investment or to use such moneys in accordance with such written direction.

(d) The Issuer will not knowingly take any action which would result in all or any portion of the Series 2026 Bonds being treated as “federally guaranteed” within the meaning of Section 149(b)(2) of the Code.

(e) The Issuer shall file, or cause to be filed, all information returns required to be filed with respect to the Series 2026 Bonds pursuant to Section 149(e) of the Code.

(f) For purposes of this Section 507, the Issuer’s compliance shall be based solely on acts or omissions by the Issuer and no acts or omissions of, or directed by, the Company, the Trustee or any other Persons shall be attributed to the Issuer.

All officers, employees and agents of the Issuer are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Issuer as of the date of delivery of the Series 2026 Bonds. In complying with the foregoing covenants, the Issuer may rely from time to time upon a Favorable Opinion of Bond Counsel.

Each of the Issuer and the Company acknowledges that, under the provisions of the Foreign Account Tax Compliance Act, the Trustee is obligated to withhold a percentage of the proceeds from any disbursement to a payee that has not delivered to the Trustee a tax identification number on a correctly completed IRS Form W-9. If requested by the Trustee, the Issuer and/or the Company, as applicable, shall provide the Trustee with a copy of any such

completed IRS Form W-9 form for the initial disbursement to any payee pursuant to any provision hereof.

Section 508. Change in Law. To the extent that published rulings of the IRS, or amendments to the Code or the Regulations modify the covenants of the Issuer or the Trustee which are set forth in this Indenture or which are necessary for interest on any issue of the Series 2026 Bonds to be excludable from gross income for federal income tax purposes, the Trustee and the Issuer will comply with such modifications, as described in an Opinion of Counsel delivered to the Issuer and the Trustee.

ARTICLE VI

CONSOLIDATION, MERGER, CONVEYANCE OR TRANSFER

Section 601. Consolidation, Merger, Conveyance, or Transfer Only on Certain Terms. The Issuer shall not consolidate with or merge into any other corporation or convey or transfer the Trust Estate substantially as an entirety to any Person, unless:

(a) such consolidation, merger, conveyance, or transfer shall be on such terms as shall fully preserve the lien and security hereof and the rights and powers of the Trustee and the Bondholders hereunder;

(b) the corporation formed by such consolidation or into which the Issuer is merged or the Person which acquires by conveyance or transfer the Trust Estate substantially as an entirety shall be organized and existing under the laws of the United States of America or any state or the District of Columbia and shall execute and deliver to the Trustee an indenture supplemental hereto in form satisfactory to the Trustee, meeting the requirements of Section 602 and containing:

(1) an assumption by such surviving or successor corporation or such transferee of the due and punctual payment of the principal of (and premium, if any) and interest on all the Bonds and the performance and observance of every covenant and condition of this Indenture to be performed or observed by the Issuer, subject, however, to the same limitations and conditions as are herein or in the Bonds provided, and

(2) a grant, conveyance and transfer complying with Section 602;

(c) immediately after giving effect to such transaction, no Event of Default hereunder (nor any event which, with the giving of notice or the elapse of time or both, would become an Event of Default as a result of such transaction) shall have occurred and be continuing;

(d) the Trustee shall have received a Favorable Opinion of Bond Counsel; and

(e) the Issuer, at the expense of the Company, shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each of which shall state that such consolidation, merger, conveyance, or transfer and such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 602. Successor Issuer Substituted. Upon any consolidation or merger or any conveyance or transfer of the Trust Estate substantially as an entirety in accordance with Section 601, the successor corporation formed by such consolidation or into which the Issuer is merged or the Person to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such successor had been named as the Issuer herein. If the supplemental indenture required by Section 601 shall contain a grant, conveyance and transfer, in terms sufficient to include and subject to the lien of this Indenture all and singular the properties described in the granting clauses hereof, whereupon such successor may cause to be executed, in its own name or in the name of the Issuer prior to such succession, and delivered to the Trustee for authentication, any Bonds issuable hereunder; and upon request of such successor, and subject to all the terms of this Indenture, the Trustee shall authenticate and deliver any Bonds which shall have been previously executed and delivered by the Issuer to the Trustee for authentication, and any Bonds which such successor shall thereafter, in accordance with this Indenture, cause to be executed and delivered to the Trustee for such purpose. Such changes in phraseology and form (but not in substance) may be made in such Bonds as may be appropriate in view of such consolidation, merger, conveyance, or transfer.

ARTICLE VII

REMEDIES OF THE TRUSTEE AND HOLDERS OF BONDS IN EVENT OF DEFAULT

Section 701. Events of Default. “Event of Default,” whenever used herein means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of (i) the principal of (and premium, if any, on) any Bond at its Maturity or (ii) an installment of interest on any Bond at the Stated Maturity for such installment; or

(2) default in the performance, or breach, of any covenant or agreement on the part of the Issuer contained in this Indenture (other than a covenant or agreement whose performance or observance is elsewhere in this Section specifically dealt with) and continuance of such default or breach for a period of thirty (30) days after there has been given, by registered or certified mail, to the Issuer and the Company by the Trustee, or to the Issuer, the Company and the Trustee by the holders of at least 25% in principal amount of Bonds then Outstanding, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; provided that if such default can be cured by the Issuer but cannot be cured within the 30-day curative period described above, it shall not constitute an Event of Default if corrective action is instituted by the Issuer within such 30-day period and diligently pursued until the default is corrected, provided, however, if such default or breach shall last longer than ninety (90) days, it shall constitute an Event of Default hereunder; or

(3) a decree or order by a court having jurisdiction in the premises shall have been entered adjudging the Company bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or arrangement of the Company under the Bankruptcy Code or any other similar applicable federal or state law, and such decree or order shall have continued undischarged and unstayed for a period of ninety (90) days; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of the Company or of the Company's property, or for the winding up or liquidation of the Company's affairs, shall have been entered, and such decree or order shall have remained in force undischarged and unstayed for a period of ninety (90) days; or

(4) the Company shall institute proceedings to be adjudicated voluntarily bankrupt, or shall consent to the institution of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization or arrangement under the Bankruptcy Code or any other similar applicable federal or state law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of it or of its property, or shall make assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Company in furtherance of any of the aforesaid purposes; or

(5) the maturity of any Note issued under the Master Indenture shall be accelerated unless such acceleration has been rescinded and annulled pursuant to the Master Indenture; or

(6) an event of default occurs under any agreement pursuant to which any bonds, loans, certificates, installment or lease payments or similar obligations of the Company that are payable or secured on a parity or subordinate basis to the Bonds has been incurred or issued and that permits the holder of such obligation or trustee to accelerate the obligation or otherwise exercise rights or remedies that affect the Trust Estate or materially impairs the ability of the Company to timely pay principal and interest on the Bonds; or

(7) an "Event of Default" has occurred under any of the Bond Documents as the term "Event of Default" is therein defined.

If any portion of a Loan Payment shall not be paid at the time therein specified, the Trustee shall reasonably promptly give telephonic or facsimile notice to the Master Trustee and any Person that may execute an Officer's Certificate on behalf of the Company of such failure and shall reasonably promptly thereafter confirm such notice by telex, facsimile or letter to the other parties to the Bond Documents unless such amount is immediately thereafter paid.

Section 702. Acceleration. If an Event of Default occurs and is continuing, then and in every such case the Trustee shall, at the direction of the Beneficial Owners of a majority of the Bonds Outstanding, give written notice to the Issuer, the Company, the Underwriter, and the

Holders of the Bonds declaring the principal of the Outstanding Bonds to be due and payable immediately. The Trustee having given such notice, the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding.

At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article, the Holders of a majority of the aggregate principal amount of the Bonds then Outstanding, by written notice to the Issuer and the Trustee, in the case of any acceleration of Maturity of the Bonds, may direct the Trustee to rescind and annul such declaration and its consequences if the Issuer or the Company has caused to be paid or deposited with the Trustee a sum sufficient to pay:

- (1) all overdue installments of interest on all Bonds;
- (2) the principal of and any premium on any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Bonds;
- (3) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and
- (4) all Events of Default, other than the nonpayment of the principal of Bonds which have become due solely by such acceleration, have been cured or waived as provided in Section 714.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 703. Collection of Indebtedness. The Issuer covenants that if:

- (1) default is made in the payment of any installment of interest on any Bond when such interest becomes due and payable, or
- (2) default is made in the payment of the principal of (or premium, if any, on) any Bond when such principal becomes due and payable,

the Issuer will, upon demand of the Trustee, pay (but solely from the Trust Estate and the revenues pledged by this Indenture to such payment) to the Trustee, for the benefit of the Bondholders, the whole amount then due and payable on such Bonds for principal (and premium, if any) and interest, with interest upon the overdue principal (and premium, if any); and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Issuer fails to pay any of the foregoing amounts forthwith upon demand, the Trustee, in its own name and as trustee of an express trust, may, and shall, upon receipt of appropriate

indemnification, institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Issuer or any other obligor upon the Bonds and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property constituting a part of the Trust Estate of the Issuer or any other obligor upon the Bonds, wherever situated.

Section 704. Suits for Enforcement by Trustee. If an Event of Default occurs and is continuing, the Trustee may, and shall, proceed to protect and enforce its rights and the rights of the Bondholders by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 705. Trustee May File Proofs of Claim.

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuer, the Company or any other obligor upon the Bonds or property of the Issuer, of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or otherwise and irrespective of whether the Trustee shall have made any demand on the Issuer, the Company or such other Obligor for the payment of overdue principal or interest) shall, be entitled and empowered (but not obligated), by intervention in such proceeding or otherwise:

(1) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondholders allowed in such judicial proceeding, and

(2) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Bondholder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Bondholders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under this Indenture.

(b) Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Bondholder thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding.

Section 706. Trustee May Enforce Claims Without Possession of Bonds. All rights of action and claims under this Indenture or the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Bondholders in respect of which such judgment has been recovered to the extent of the obligations then owing to such Persons.

Section 707. Application of Money Collected.

(a) Any money collected by the Trustee pursuant to this Article and any other sums then held by the Trustee as part of the Trust Estate shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Bonds and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(1) First: To the payment of all amounts due the Trustee under this Indenture;

(2) Second: To the payment of the amounts then due and unpaid upon the Bonds, for interest, in respect of which or for the benefit of which such money has been collected; ratably without preference or priority of any kind, according to the amounts due and payable on such Bonds for interest;

(3) Third: To the payment of the amounts then due and unpaid upon the Bonds, for principal (and premium, if any), in respect of which or for the benefit of which such money has been collected; ratably without preference or priority of any kind, according to the amounts due and payable on such Bonds for principal (and premium, if any);

(4) Fourth: To the Debt Service Fund, any remaining amounts of money so collected.

(b) If the Master Trustee has accelerated either of the Series 2026 Note, the portion of the master trust estate allocable to the Bonds under Section 405(c)(2) of the Master Indenture shall be applied to purchase Defeasance Obligations for deposit with the Trustee to defease all or a portion of the Bonds in inverse order of maturity through the earlier of their Maturity or first Optional Redemption date as set forth in the form of Bond attached hereto as EXHIBIT A.

Section 708. Limitation on Suits. Subject to Section 713 hereof, no Bondholder shall have the right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) such Bondholder has previously given written notice to the Trustee of a continuing Event of Default;

(b) the holders of not less than 25 percent in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(c) the Bondholders have provided to the satisfaction of the Trustee indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for sixty (60) days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other holders of the Bonds, or to obtain or to seek to obtain priority or preference over any other holders of the Bonds, to take any action that would affect the validity of the lien of this Indenture on the Trust Estate, or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Bondholders to the extent of the amounts then owing to such Persons.

Section 709. Unconditional Right of Bondholders to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Indenture, any Bondholder shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond, but solely from the sources provided in this Indenture, on the respective Stated Maturities expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Bondholder.

Section 710. Restoration of Rights and Remedies. If the Trustee or any Bondholder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or such Bondholder, then and in every such case the Issuer, the Trustee, the Company, and the Bondholders shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Bondholders shall continue as though no such proceeding had been instituted.

Section 711. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 712. Delay or Omission Not Waiver. No delay or omission of the Trustee, or any Bondholder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Indenture or by law to the Trustee, or the Bondholders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee, or the Bondholders, as the case may be.

Section 713. Control by Bondholders. Subject to Section 803(e) herein, the holders of a majority in aggregate principal amount of the Outstanding Bonds shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, provided that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture,

(b) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction; and

(c) the Trustee shall have been provided with an indemnity satisfactory to it.

Without limiting the generality of the foregoing, any such remedial proceeding may include forbearance or non-action on the part of the Trustee and the waiver or release of claims or the granting of a covenant not to sue.

Section 714. Waiver of Past Defaults. The holders of not less than a majority in principal amount of the Outstanding Bonds may waive any past default hereunder and its consequences, except:

(a) a default in the payment of the principal of (or premium, if any) or interest on any Bond, or

(b) a default in respect of a covenant or provision hereof which under Article IX cannot be modified or amended without the consent of the holder of each Outstanding Bond affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 715. Undertaking for Costs. All parties to this Indenture agree, and each Bondholder by such Bondholder's acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than 10% in principal amount of the Outstanding Bonds, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Bond on or after the respective Stated Maturities expressed in such Bond (or, in the case of redemption, on or after the redemption date).

Section 716. Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever

claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants (to the extent it may lawfully do so) that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 717. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in this Indenture or any indenture supplemental hereto, or in the Agreement, or in any Bond or any Note, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, or against any past, present or future director, officer or employee, as such, of the Issuer, the Company or the City or of any successor corporation, either directly or through the Issuer, the Company or the City, whether by virtue of any constitution or statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture, the Agreement, the Bonds and the Series 2026 Note are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, directors, officers or employees, as such, of the Issuer, the Company or the City or any successor corporation, or any of them, because of the creation of indebtedness hereby authorized, or under or by reason of the obligations, covenants or agreements contained in this Indenture, in the Agreement or in any of the Bonds or the Series 2026 Note or implied therefrom; and that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, director, officer or employee, as such, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Indenture and the issue of such Bonds or the Series 2026 Note.

Section 718. Expenses Payable under Indenture. All expenses incurred in carrying out this Indenture shall be payable solely from funds derived by the Issuer from the Company. Anything in this Indenture to the contrary notwithstanding, the performance by the Issuer of all duties and obligations imposed upon it hereby, the exercise by it of all powers granted to it hereunder, the carrying out of all covenants, agreements and promises made by it hereunder, and liability of the Issuer for all warranties and other covenants herein shall be limited solely to the Trust Estate; and the Issuer shall not be required to effectuate any of its duties, obligations, powers or covenants except from, and to the extent of, such moneys, revenues, proceeds, and payments.

Section 719. Termination of Default. Once an Event of Default has been cured in accordance with the provisions of this Indenture, such Event of Default will be deemed to no longer exist and the Trustee shall notify the Company in writing that such Event of Default has been cured and all corrective actions under this Indenture shall immediately cease unless or until another Event of Default shall occur.

ARTICLE VIII
CONCERNING THE TRUSTEE

Section 801. Duties and Liabilities of Trustee.

(a) The Trustee accepts and agrees to execute the specific trusts imposed upon it by this Indenture, but only upon the terms and conditions specifically and expressly set forth herein. These duties shall be deemed purely ministerial in nature, and the Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

(b) In case any Event of Default (of which the Responsible Officer has actual knowledge or is deemed to have actual knowledge under Section 803(h) hereof) has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except, that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section or Section 803 hereof;

(2) the Trustee shall not be liable for any actions taken or errors of judgment made in good faith by a Responsible Officer, unless it shall be finally determined on a non-appealable basis by a court of competent jurisdiction that the Trustee was grossly negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction given to the Trustee at the written direction of the holders of not less than a majority in aggregate principal amount of Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture or any of the other Bond Documents; and

(4) no provision of this Indenture or any of the other Bond Documents shall require the Trustee to expend or risk its funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of this Indenture and the other Bond Documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section and Sections 803 and 813.

Section 802. Notice of Defaults. Within sixty (60) days after the occurrence of any default hereunder of which a Responsible Officer of the Trustee has actual knowledge pursuant to Section 803(h) hereof, the Trustee shall provide to all Bondholders, notice (which may be electronic notice) of such default, unless such default shall have been cured or waived or unless corrective action to cure such default has been instituted and is being pursued such that such default does not constitute an Event of Default; provided, however, that except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Bonds or in the payment of any sinking or purchase fund installment, the Trustee shall be protected in withholding such notice from the Bondholders if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Bondholders; provided, further, that in the case of any default of the character specified in Section 701(2) hereof no such notice to Bondholders shall be given until at least thirty (30) days after the occurrence thereof. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

The Trustee shall mail, first-class postage prepaid, to each Rating Service then rating the Bonds notice of any of the following events, whenever:

(a) the Trustee, pursuant to this Indenture, has resigned or been removed and a successor Trustee has been appointed, such notice to be mailed within ten (10) Business Days after the appointment of such successor Trustee;

(b) an amendment or supplement to the Bond Documents executed or consented to by the Trustee or of which the Trustee has received written notice is to be entered into, such notice and a copy of such amendment or supplement to such Rating Service to be mailed at least ten (10) Business Days prior to the effective date of such amendment or supplement and within three (3) Business Days after the receipt of such written notice by the Trustee;

(c) the Trustee receives a Company Request pursuant to Section 302 which directs the Trustee to redeem all the Outstanding Bonds, such notice to be mailed within ten (10) Business Days after the receipt of such Company Request (and to specify the Redemption Date requested thereby); or

(d) all Bonds shall be deemed to have been paid or defeased as provided in Article X hereof.

Section 803. Certain Rights of Trustee.

(a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, judgment, decree, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and shall not be required to verify the accuracy of any information or calculations required to be included therein or attached thereto;

(b) Any request or direction of any Person mentioned herein shall be sufficiently evidenced by a Request of such Person; and any resolution of the Governing Body of any Person may be evidenced to the Trustee by a Board Resolution of such Person;

(c) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may rely in good faith upon an Officer's Certificate;

(d) The Trustee may consult with counsel and other professional selected with due care and the advice of such counsel and other professionals or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Bondholders pursuant to the provisions of this Indenture, unless such Bondholders shall have provided to the Trustee security or indemnity (satisfactory to the Trustee in its sole and absolute discretion) it against the costs, expenses and liabilities which might be incurred by it in connection with such request or direction and for the payment of the Trustee's fees, costs and expenses (including, without limitation, counsel fees, costs and expenses) in connection therewith;

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, judgment, decree, approval, bond, debenture or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer or of the Company, personally or by agent or attorney and to take copies of such memoranda from and in regard thereto as may reasonably be desired; provided that, the Trustee shall have no obligation to perform any of the duties of the Issuer under this Indenture or of the Company under any of the Bond Documents;

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, or may act or refrain from acting in reliance upon the opinion or advance of such agents or attorneys, but the Trustee shall not be held liable for the conduct of any such agent or attorney appointed with due care, and the Trustee shall be reimbursed for any expenses incurred in hiring an agent. The Trustee may act upon the opinion or advice of an attorney or agent selected by it in the exercise of reasonable care and upon the opinion or advice of an attorney or agent retained by the Company. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice. The Trustee may in all cases pay reasonable compensation to any attorney or agent retained or employed by it in connection herewith;

(h) The Trustee shall not be required to take notice or be deemed to have notice or knowledge of any default or Event of Default hereunder unless a Responsible Officer of the Trustee shall be specifically notified of such default in writing by an Authorized Representative of

the Issuer or an Authorized Representative of the Company or by a Bondholder, and in the absence of such notice the Trustee may conclusively assume that no default exists; provided, however, that the Trustee shall be required to take and be deemed to have notice of a default under Section 701(a) hereof;

(i) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction of the Bondholders of the applicable percentage of the holders of Outstanding Bonds permitted to be given by them under this Indenture;

(j) The Trustee may seek the approval of the Bondholders by any means it deems appropriate and not inconsistent with the terms of this Indenture or the Master Indenture in connection with the giving of any consent or taking of any action in its capacity as holder of any Note;

(k) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its gross negligence or willful misconduct as finally determined on a non-appealable basis by a court of competent jurisdiction;

(l) The Trustee shall not be required to give any bond or surety in respect of the execution of the trusts and powers established by this Indenture or otherwise;

(m) The Trustee shall not be responsible for monitoring the existence of or determining whether any lien or encumbrance or other charge including, without limitation, any Permitted Encumbrance (as defined in any Deed of Trust) exists against the Project or the Trust Estate;

(n) The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer herein except as may be expressly provided for herein or therein. The Trustee may require of the Issuer full information and advice as to the performance of the aforesaid covenants, conditions and agreements;

(o) The Trustee's rights to immunities and protection from liability hereunder will survive its resignation or removal, the termination of this Indenture, and final payment or defeasance of the Bonds;

(p) Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(q) In no event shall the Trustee be liable for special, indirect, incidental, exemplary, punitive or consequential loss or damage (including but not limited to lost profits) even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action any such loss or damage may be claimed;

(r) It shall not be a duty of the Trustee to insure that any of the duties or obligations in the Bond Documents imposed upon the Issuer, the Company, or any other Person are performed,

and the Trustee shall not be liable or responsible because of the failure of the Issuer, the Company, or any other such Person to perform any act required by the Bond Documents or otherwise;

(s) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to this Indenture and related financing documents and delivered using Electronic Means; provided, however, that the Company, shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Company, whenever a person is to be added or deleted from the listing. If the Company elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Company shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Company and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Company. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Company agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Company; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures;

(t) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including, without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; pandemics; quarantine restrictions; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility;

(u) The Trustee shall have no obligation to give, execute, deliver, file, record, authorize or obtain any financing statements, notices, instruments, documents, agreements, consents or other papers as shall be necessary to (i) create, preserve, perfect or validate the security interest granted to the Trustee pursuant to the Indenture or (ii) enable the Trustee to exercise and enforce its rights under this Indenture with respect to such pledge and security interest. In addition, the Trustee shall

have no responsibility or liability (i) in connection with the acts or omissions of the Issuer or the Company in respect of the foregoing or (ii) for or with respect to the legality, validity and enforceability of any security interest created hereunder or the perfection and priority of such security interest; and

(v) Whether or not expressly provided herein, every provision of this Indenture relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Article VIII and shall extend to the Bond Registrar and the Paying Agent, and to the directors, officers, employees, attorneys and agents of the Trustee, the Bond Registrar and the Paying Agent.

Notwithstanding the aforesaid, the Trustee shall be required to pay the Bondholders at the times required under this Indenture so long as moneys are available therefor under, pursuant to and in accordance with the terms of this Indenture.

Section 804. Not Responsible for Recitals or Issuance of Bonds. The recitals contained herein and in the Bonds (other than the certificate of authentication on such Bonds) shall be taken as the statements of the Issuer and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Issuer thereto or as to the adequacy, sufficiency or perfection of the security afforded thereby or hereby; as to the right, title or interest of the Issuer therein; as to the validity or genuineness of any securities at any time pledged and deposited with the Trustee hereunder; as to the validity or sufficiency of this Indenture, the other Bond Documents, or of the Bonds; as to the technical or financial feasibility of the Project; the compliance of the Project with the Act, or the tax-exempt status of the Series 2026 Bonds; or as to the correctness or sufficiency of any statement made in connection with the offer or sale of the Bonds. The Trustee shall not be accountable for the use or application by the Issuer or the Company of any of the Bonds or of the proceeds of such Bonds, or sufficiency of said proceeds to accomplish the intended objective of the financing, or for the use or application of any moneys paid over by the Trustee in accordance with any provision of this Indenture or the Agreement.

Section 805. Trustee May Own Bonds. The Trustee or any other agent appointed hereunder, in its individual or any other capacity, may become the owner or pledgee of Bonds and may otherwise deal with the Issuer with the same rights it would have if it were not Trustee or such other agent.

Section 806. Moneys to Be Held in Trust. All moneys received by the Trustee shall, until used or applied as herein provided (including payment of moneys to the Company under Section 1001), be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any moneys received by it hereunder other than such interest as it expressly agrees in writing with the Issuer or the Company to pay.

In the event of any Act of Bankruptcy: (i) amounts on deposit in any of the Funds are not, nor shall they be deemed to be, property of the bankruptcy estate of the Company as defined by 11 U.S.C. Section 541; (ii) in no event shall the Company assert, claim or contend that amounts on deposit in any of the Funds are property of the bankruptcy estate of the Company; and (iii) amounts on deposit in any of the Funds are held in trust solely for the Registered Owners and

the Beneficial Owners, shall be applied only in accordance with the provisions of this Indenture, and the Company has no legal, equitable nor reversionary interest in, or right to, such amounts.

Section 807. Compensation and Expenses of Trustee and Paying Agent. The Issuer agrees, but solely from the Trust Estate and the revenues pledged by this Indenture to such payment,

(1) to pay to the Trustee, Bond Registrar, Authenticating Agent, and Paying Agent from time to time, when due, reasonable compensation for all services rendered by them hereunder, including extraordinary services during the existence of a default, which shall not be limited by any law limiting the compensation of the trustee of an express trust, and which may be increased from time to time as the cost of business dictates; and

(2) except as otherwise expressly provided in this Section 807(a), to reimburse the Trustee and the Paying Agent in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee or such Paying Agent in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel and securities or transaction charges).

Nothing in this Section 807 shall affect or otherwise diminish the obligations of the Company to pay compensation and indemnification to the Trustee in accordance with the Agreement as security for the performance of the obligations of the Issuer under this Section and the obligations of the Company under Sections 4.6(b) and 5.1(h) of the Agreement. As security for the performance of the obligations of the Issuer under this Section the Trustee shall have a lien prior to the Bonds upon all property and funds held or collected by the Trustee as such.

When the Trustee incurs expenses or renders services in connection with any bankruptcy or insolvency proceeding, such expenses (including the fees, costs and expenses of its counsel) and the compensation for such services are intended to constitute expenses of administration under any bankruptcy law or law relating to creditors' rights generally.

Section 808. Corporate Trustee Required; Eligibility. There shall at all times be a Trustee hereunder authorized which shall be a corporation or banking association organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, which has a combined capital and surplus of at least \$50,000,000, or is an affiliate of, or has a contractual relationship with, a corporation or baking association meeting such capital and surplus requirement which guarantees the obligations and liabilities of the proposed trustee, and which is subject to supervision or examination by federal or state baking authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the assets of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee

shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 809. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 810.

(b) The Trustee may resign and be discharged from its duties and obligations hereunder at any time by giving thirty (30) calendar days written notice thereof to the Issuer and the Company. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within thirty (30) calendar days after the giving of such notice of resignation, the resigning Trustee shall be entitled, at its sole discretion (at the sole cost and expense of the Company, including with respect to reasonable attorneys' fees and expenses) to apply to a court of competent jurisdiction to appoint a successor or for other appropriate relief, and any such resulting appointment or relief shall be binding upon all of the parties.

(c) The Trustee may be removed at any time by an act of the holders of a majority in principal amount of the Outstanding Bonds, in each case delivered to the Trustee and the Issuer.

(d) If at any time:

(1) the Trustee shall cease to be eligible under Section 808 and shall fail to resign after written request by the Issuer or by any such Bondholder, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Issuer, by an Issuer Request, or the Company, by Company Request, may remove the Trustee and (ii) if neither the Issuer nor the Company has acted within sixty (60) days subject to Section 714, any Bondholder who has been a bona fide holder of a Bond for at least six (6) months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Issuer, by an Issuer Request, or, in the event no Event of Default has occurred and is continuing hereunder, the Company, by Company Request, shall promptly appoint a successor Trustee. If, within 3 months after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by action of the holders of a majority in principal amount of the Outstanding Bonds delivered to the Issuer and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer or the Company. If no successor Trustee shall have been so appointed by the Issuer, the Company or the Bondholders and accepted appointment in the manner hereinafter provided, any Bondholder who has been a bona fide Bondholder for at least 6

months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) So long as no default or Event of Default has occurred and is continuing hereunder, the Company at any time may remove the Trustee and appoint a substitute Trustee and notify the Issuer and the Underwriter promptly of such an occurrence.

(g) The Company shall give, or cause to be given, notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Bondholders at their addresses as shown in the Bond Register and to the Underwriter. Each notice shall include the name and address of the applicable corporate trust office or payment office of the successor Trustee.

(h) The rights of the Trustee to indemnity, any amounts due and payable and reimbursement of fees and expenses shall survive the Trustee's resignation or removal.

Section 810. Acceptance of Appointment by Successor.

(a) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Issuer or the successor Trustee, such retiring Trustee shall execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to the successor Trustee, any and all property and money held by such retiring Trustee hereunder. Upon request of any such successor Trustee, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts.

(b) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 811. Merger or Consolidation. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the municipal corporate trust business of the Trustee, shall be the successor Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

Section 812. Authenticating Agent. There may (and whenever the Trustee shall not maintain an office or agent in each Place of Payment there shall) be an Authenticating Agent appointed by the Trustee with power to act on its behalf and subject to its direction in the authentication and delivery of the Bonds in connection with delivery of Bonds pursuant to

Section 203 and transfers and exchanges under Sections 204, 205 and 307, as fully to all intents and purposes as though the Authenticating Agent had been expressly authorized by those Sections to authenticate and deliver the Bonds. For all purposes of this Indenture, the authentication and delivery of the Bonds by the Authenticating Agent pursuant to this Section shall be deemed to be the authentication and delivery of the Bonds “by the Trustee.”

The Trustee is hereby appointed as Authenticating Agent with respect to the Bonds.

Each Authenticating Agent shall at all times be a bank or trust company having an office or agent in a Place of Payment, and shall at all times be a corporation organized and doing business under the laws of the United States or of any state with a combined capital and surplus of at least \$50,000,000 and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually pursuant to law or the requirements of such authority, then for the purposes of this Section the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation, or conversion to which any Authenticating Agent shall be a party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of the Authenticating Agent hereunder, if such successor corporation is otherwise eligible under this Section, without the execution or filing of any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee, the Issuer and the Company. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Issuer and the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee shall promptly appoint a successor Authenticating Agent and shall give written notice of such appointment to the Issuer and the Company.

The Trustee shall be entitled to be reimbursed for any reasonable compensation paid by the Trustee to the Authenticating Agent for its service subject to Sections 803 and 807. The provisions of Sections 207, 803, 804, and 805 of this Indenture shall be applicable to any Authenticating Agent.

Section 813. Trustee Liability for Agents. Notwithstanding anything contained herein to the contrary, the Trustee shall not be liable for any failure of the Paying Agent, the Bond Registrar or the Authenticating Agent to perform in accordance with this Indenture any duty required or authorized herein to be performed by such Person or for any other acts or omissions of such Person.

Section 814. Facsimile and Electronic Transmissions. The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that: (a) subsequent to such transmission of written instructions and/or directions the Trustee shall

forthwith receive the originally executed instructions and/or directions in a timely manner, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received an incumbency certificate listing such designated persons and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer or the Company elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer and the Company agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

ARTICLE IX

SUPPLEMENTS AND AMENDMENTS

Section 901. Supplemental Indentures and Amendatory Agreements Without Consent of Bondholders. Without the consent of the Bondholders, the Issuer, when authorized by a Board Resolution of the Issuer, and the Trustee at any time upon receipt of Company Consent, may enter into or consent to one or more indentures supplemental hereto, subject to Section 903 hereof, or amendments to the Agreement for any of the following purposes:

(1) to evidence the succession of another Person to the Issuer or the Company, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Issuer as permitted by this Indenture or the Company as permitted by the Agreement;

(2) to add to the covenants of the Issuer or the Company for the benefit of the Bondholders, or to surrender any right or power herein or therein conferred upon the Issuer or the Company;

(3) to cure any ambiguity or to correct or supplement any provision herein or therein which may be inconsistent with any other provision herein or therein, or to make any other provisions with respect to matters or questions arising under this Indenture or the Agreement which shall not be inconsistent with this Indenture, provided such action shall not adversely affect the interests of the Bondholders;

(4) to modify or supplement this Indenture in such manner as may be necessary to qualify this Indenture under the Trust Indenture Act of 1939 as then amended, or under any similar federal or state statute or regulation, including provisions whereby the Trustee accepts such powers, duties, conditions and restrictions hereunder and the Issuer or the Company undertakes such covenants,

conditions or restrictions additional to those contained in this Indenture as would be necessary or appropriate so to qualify this Indenture; provided, however, that nothing herein contained shall be deemed to authorize inclusion in this Indenture or in any indenture supplemental hereto, provisions referred to in Section 316(a)(2) of the said Trust Indenture Act or any corresponding provision provided for in any similar statute hereafter in effect;

(5) in connection with any other change herein or therein that (A) is determined by the Company to not be materially adverse to the interests of the Bondholders and (B) which does not involve a change described in Section 902 requiring consent of specific Bondholders, and (C) as to which the Trustee receives an Opinion of Counsel confirming the foregoing items (A) and (B); or

(6) to modify or supplement this Indenture in such manner as may be necessary or appropriate to cause the rating assigned to the Bonds by each Rating Service to maintain the rating on the Bonds from each Rating Service.

Section 902. Supplemental Indentures and Amendatory Agreements With Consent of Bondholders. With the consent of the holders of not less than a majority in principal amount of the Outstanding Bonds affected by such supplemental indenture, by action of such Bondholders delivered to the Issuer, the Company, the Trustee and the Rating Service, the Issuer, when authorized by a Board Resolution, and the Trustee may, upon receipt of a Company Consent, enter into or consent to an indenture or indentures supplemental hereto (subject to Section 903 hereof), amendments to the Agreement for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or the Agreement or of modifying in any manner the rights of the Bondholders under this Indenture or the Agreement; provided, however, that no such supplemental indenture or amendment shall, without the consent of the holders of not less than 80% in principal amount of the Outstanding Bonds affected thereby :

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Bonds or any date for mandatory redemption thereof, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which, any Bonds or the interest thereon is payable, or impair or subordinate the lien of this Indenture on the Trust Estate or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the redemption date), or

(2) reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section or Section 713, except to increase any such percentage or to provide that certain other provisions of this

Indenture cannot be modified or waived without the consent of each Bondholder affected thereby.

It shall not be necessary for any act of Bondholders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such act of Bondholders shall approve the substance thereof.

Section 903. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture and in consenting to any amendment to the Agreement or to any indenture supplemental to this Indenture, the Trustee shall be entitled to receive, and (subject to Section 801) shall be fully protected in relying upon, a Favorable Opinion of Bond Counsel and an Opinion of Counsel stating that the execution of such supplemental indenture or consent (a) is authorized or permitted by this Indenture, (b) will not adversely affect the qualification of the Bonds as obligations which may be issued pursuant to the Act, and (c) will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes. The Trustee may, but shall not (except to the extent required in the case of a supplemental indenture entered into under Section 901(4)) be obligated to, enter into any such supplemental indenture or consent which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Trustee shall not execute any supplemental indenture without the Consent of the Company.

Section 904. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes, and every Bondholder thereafter or theretofore authenticated and delivered hereunder shall be bound thereby.

Section 905. Bonds May Bear Notation of Changes. Bonds authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Issuer or the Trustee shall so determine, new Bonds so modified as to conform, in the opinion of the Trustee and the Issuer, to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Bonds then Outstanding

ARTICLE X

SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS

Section 1001. Satisfaction and Discharge of Indenture. Whenever the following conditions shall exist, namely:

(a) all Bonds theretofore authenticated and delivered have been cancelled by the Trustee or delivered to the Trustee for cancellation, excluding, however:

(1) Bonds alleged to have been destroyed, lost, or stolen which have been replaced or paid as provided in Section 205, except for any such Bond which, prior to the satisfaction and discharge of this Indenture, has been presented to the

Trustee with a claim of ownership and enforceability by the holder thereof and where enforceability has not been determined adversely against such Bondholder by a court of competent jurisdiction,

(2) Bonds, other than those referred to in paragraph (1) above, for the payment or redemption of which the Issuer or the Company has deposited or caused to be deposited with the Trustee at the Maturity thereof in trust for such purpose funds (which shall be immediately available for payment) in an amount sufficient to pay and discharge the entire indebtedness on such Bonds for principal (and premium, if any) and interest to such Maturity, and

(3) Bonds deemed no longer Outstanding as a result of the deposit or escrow of money or Defeasance Obligations or both as described in Section 1002;

(b) the Issuer or the Company has paid or caused to be paid all other sums payable by the Issuer or the Company, if any, hereunder and under the Agreement (in addition to amounts due and payable by the Company pursuant to Section 4.1(a) or (b) of the Agreement and the terms of the Series 2026 Note); and

(c) there has been delivered to the Trustee an Opinion of Counsel stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with;

then this Indenture and the lien, rights, and interests created hereby shall cease, determine, and become null and void (except as to any surviving rights of transfer, exchange, or tender of Bonds herein or therein provided for) and the Trustee and each co-trustee and separate trustee, if any, then acting as such hereunder shall, at the expense of the Company, execute and deliver a termination statement and such instruments of satisfaction and discharge as may be necessary (in form and substance satisfactory to Company) and pay, assign, transfer, and deliver to the Company or upon Company Order all cash, securities, and other property then held by it hereunder as a part of the Trust Estate.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Issuer and the Company to the Trustee under Section 807 shall survive unless otherwise agreed by the Trustee in writing.

Section 1002. Payment of Bonds.

(a) Bonds shall be deemed to have been paid for purposes of this Indenture if (1) there has been deposited with the Trustee in trust in a segregated account either (i) moneys in an amount, or (ii) Defeasance Obligations, the principal of and interest on which will, when due, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (as established by a report of an Independent certified public accountant setting forth the calculations upon which such report is based), provide moneys in an amount, which, together with any moneys deposited with or held by the Trustee at the same time and available for such purpose pursuant to this Indenture, will be sufficient to pay when due and payable the principal, premium, if any, and interest due and payable and to become due and payable on and prior to the respective redemption dates or Maturity dates of such Bonds, or (iii) a combination of (i) and (ii), and (2) in

case any of such Bonds are to be redeemed on any date prior to their Stated Maturity, the Company (i) has given to the Trustee irrevocable written instructions instructing the Trustee to effect the redemption of such Bonds on such date and to give notice of such redemption to Bondholders prior to said date as provided in Section 304 and in EXHIBIT A to this Indenture, or (ii) in the event such Bonds are not to be redeemed within the sixty (60) days next succeeding the date of such deposit with the Trustee, the Company has given irrevocable written instructions to the Trustee to give notice to the Bondholders advising that the deposit required by clause (1) of this paragraph has been made with the Trustee and that the Bonds are deemed to have been paid in accordance with this Article and stating such Maturity or redemption date or dates upon which money is to be available for the payment of the principal, premium, if any, and interest on such Bonds. The Trustee shall not be required to accept any deposit of Defeasance Obligations pursuant to clause (1)(ii) or (1)(iii) during the continuance of an Event of Default. For purposes of this Section, Defeasance Obligations issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America shall be deemed to be deposited with the Trustee.

Any Defeasance Obligations deposited with the Trustee pursuant to this Section shall mature on such dates as shall be required for the aforesaid purpose. Such Defeasance Obligations shall not contain provisions permitting the redemption thereof at the option of the issuer thereof.

(b) Any release under this Section shall be without prejudice to the right of the Trustee to be paid reasonable compensation for all services rendered by it under this Indenture and all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on and about the administration of trusts created by this Indenture and the performance of its powers and duties under this Indenture.

Section 1003. Application of Trust Money. The Defeasance Obligations and money deposited with the Trustee pursuant to Section 1002 and principal or interest payments on any such Defeasance Obligations shall be held in trust, shall not be sold or reinvested, and shall be applied by it, in accordance with the provisions of the Bonds and this Indenture, to the payment, either directly or through any Paying Agent, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money or Defeasance Obligations were deposited; provided that, upon delivery to the Trustee of an Officer's Certificate (accompanied by the report of an Independent certified public accountant setting forth the calculations upon which such Officer's Certificate is based) establishing that the money and Defeasance Obligations on deposit following the taking of the proposed action will be sufficient for the purposes described in Section 1002(a), any money received from principal or interest payments on Defeasance Obligations deposited with the Trustee or the proceeds of any sale of such Defeasance Obligations, if not then needed for such purpose, shall, upon Company Request be reinvested in other Defeasance Obligations or disposed of as requested by the Company. For purposes of any calculation required by this Article, any Defeasance Obligation which is subject to redemption at the option of its issuer, the redemption date for which has not been irrevocably established as of the date of such calculation, shall be assumed to cease to bear interest at the earliest date on which such obligation may be redeemed at the option of the issuer thereof and the principal of such obligation shall be assumed to be received at its Stated Maturity.

ARTICLE XI

MISCELLANEOUS

Section 1101. Execution in Counterparts. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of this Indenture by facsimile or electronic transmission shall be equally as effective as delivery of an original executed counterpart of this Indenture.

Section 1102. Final Agreement. This written Indenture represents the entire and final agreement between the parties related to this transaction, and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture to be signed on their behalf by their duly authorized representatives as of the date first written above.

**ARLINGTON HIGHER EDUCATION
FINANCE CORPORATION**

By: _____
President, Board of Directors

UMB BANK, NATIONAL ASSOCIATION, as
Trustee

By: _____
Name: _____
Title: _____

ACCEPTED AND AGREED TO BY:

UMB BANK, NATIONAL ASSOCIATION, as
Paying Agent and Bond Registrar

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF DEFINITIVE SERIES 2026 BONDS

THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS. UNTIL SUCH TIME AS THIS BONDS IS RATED IN AN INVESTMENT GRADE CATEGORY BY A RATING SERVICE AND RECEIPT OF NOTICE THEREOF BY THE TRUSTEE AND THE WRITTEN AUTHORIZATION AND DIRECTION OF THE ISSUER’S BOARD OF DIRECTORS AS SET FORTH IN THE BOND INDENTURE, THIS BOND IS BEING OFFERED AND SOLD IN THE UNITED STATES ONLY (I) TO INSTITUTIONAL INVESTORS THAT ARE “ACCREDITED INVESTORS” WITHIN THE MEANING OF RULE 501 UNDER THE SECURITIES ACT, (II) TO “QUALIFIED INSTITUTIONAL BUYERS” WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OR (III) TO A BROKER-DEALER OF SECURITIES OR AN “INVESTMENT ADVISER” UNDER THE INVESTMENT ADVISERS ACT OF 1940 WHO MAY TRANSFER THE BONDS TO ONE OR MORE ACCREDITED INVESTORS OR QUALIFIED INSTITUTIONAL BUYERS.

EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN OR IN THE BOND INDENTURE, THIS BOND OR ANY PORTION HEREOF MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF \$100,000 OR ANY INTEGRAL MULTIPLE OF \$5,000 IN EXCESS THEREOF.

NO. R-1

REGISTERED
\$[_____]

UNITED STATES OF AMERICA
STATE OF TEXAS
ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BOND
(LOGOS PREPARATORY ACADEMY)
SERIES 2026

INTEREST RATE MATURITY DATE ISSUE DATE CUSIP

March [___], 2026

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION (the “**Issuer**”), a nonstock, nonprofit higher education finance corporation organized and existing pursuant to the laws of the State of Texas (the “**State**”), including Chapter 53 and 53A, Texas Education Code, and particularly Sections 53.35(b) and 53A.35(b) thereof (the “**Act**”), hereby promises to pay to the order of CEDE & CO., or registered assigns, at the principal payment office of UMB Bank, National Association, in Costa Mesa, California (the “**Place of Payment**”), the aggregate principal amount of [_____] AND 00/100 DOLLARS (\$[_____] on the Maturity Date set forth above (or earlier as hereinafter provided) and to pay interest thereon, calculated on the basis of a 360-day year of twelve 30-day months at the per annum rate set forth above, from the Issue Date or the most recent Interest Payment Date to which interest has been

paid or provided for; provided that such principal and interest are payable solely from the sources and in the manner hereinafter described, and solely as authorized and provided in the Act. The dated date of this Bond is March 1, 2026.

THE HOLDER HEREOF shall never have the right to demand payment of this Bond out of money raised or to be raised by taxation, or from any source whatsoever except the payments and amounts described in the Bond Indenture, the Series 2026 Note, the Agreement (all as defined herein), and this Bond. The Bonds are special and limited obligations payable solely as provided herein. NONE OF THE CITY OF ARLINGTON, TEXAS, THE STATE NOR A STATE AGENCY, ANY POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE SHALL BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF ARLINGTON, TEXAS, THE STATE, ANY STATE AGENCY, POLITICAL CORPORATION OR POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

THE PRINCIPAL of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. Amounts due on this Bond shall be paid by check drawn upon by UMB Bank, National Association (in its capacity as the “**Trustee**,” “**Paying Agent**” and “**Bond Registrar**” for this series of Bonds) and mailed to the holder hereof at its address as it appears on the bond registration books of the Issuer, kept by the Bond Registrar (the “**Bond Register**”) at the close of business for the Trustee on the fifteenth day of the preceding calendar month in which such payment date occurs regardless of whether such day is a business day (the “**Record Date**”). Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds or all of the Bonds, all payments of principal, premium and interest on the Bonds shall be paid by wire transfer at the risk and expense of such registered owner in immediately available funds to an account in the United States designated by such registered owner upon fifteen (15) days prior written notice before a Record Date to the Trustee. Principal of, premium, if any, and interest on this Bond that is in Book-Entry-Only Form shall be paid in immediately available funds to DTC or its nominee, as the case may be, as the Bondholder.

THE INTEREST on this Bond shall be paid on each June 1 and December 1, commencing June 1, 2026, until the principal thereof shall have been paid or provided for.

THIS BOND is one of a series of bonds (the “**Bonds**”) authorized and issued in the aggregate principal amount of \$[_____] for the purpose of (i) financing and refinancing the cost of certain educational facilities (as that term is defined in the Act) for Logos Preparatory Academy (the “**Company**”), (ii) establishing a debt service reserve fund, (iii) funding capitalized interest and (iv) paying the costs of issuance of the Bonds, under and pursuant to authority conferred by the Act, a resolution adopted by the Governing Body of the Issuer, and a Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “**Bond Indenture**”), by and between the Issuer and the Trustee. The proceeds of the sale of the Bonds will be loaned to the Company pursuant to a Loan Agreement, dated as of March 1, 2026 (the “**Agreement**”), between the Issuer and the Company, and the Company’s obligations under the Agreement are further evidenced by the Company’s execution and issuance of a promissory note (the “**Series 2026 Note**”), dated as of the Issue Date of the Bonds, in an amount equal to the aggregate principal

amount of the Bonds. The Series 2026 Note is a “Note” as defined in and is entitled to the security of a Master Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “**Master Indenture**”), as supplemented through Supplemental Master Indenture No. 1 dated as of March 1, 2026, between the Company on behalf of itself and UMB Bank, National Association, Master Trustee.

THE TRANSFER of this Bond may be registered by the owner hereof in person or by his attorney or legal representative at the corporate trust office or principal payment office of the Bond Registrar as set forth in the Bond Indenture, but only in the manner and subject to the limitations and conditions provided in the Bond Indenture and upon surrender and cancellation of this Bond and execution of the Assignment hereon. Upon any such surrender for transfer of the Bond at the office or agency of the Trustee in a Place of Payment, the Issuer shall execute, the Trustee shall authenticate, and the Bond Registrar shall register and deliver, in the name of the designated transferee, one or more new Bonds of any Authorized Denomination (as defined in the Bond Indenture), of a like aggregate principal amount, maturity and interest rate. The Issuer and the Bond Registrar shall not be required (1) to issue, transfer or exchange any Bonds during a period beginning at the opening of business fifteen (15) days before the day of mailing a notice of redemption of the Bonds selected for redemption under the Bond Indenture and ending the close of business on the day of such mailing or (2) to transfer or exchange any Bond selected for redemption in whole or in part.

Subject to the limitations set forth in the Master Indenture, the Company may from time to time issue additional notes authorized by and entitled to the security of the Master Indenture for the purposes set forth in the Master Indenture (“**Master Notes**”), which shall rank equally and on a parity with the Series 2026 Note and all other Master Notes except as set forth in any supplemental master indenture authorizing issuance of any Master Note.

Mandatory Redemption. The Bonds are subject to mandatory redemption in part prior to maturity with funds from the Debt Service Fund, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the date of redemption, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis, on June 1 in each of the years, and in the principal amounts, respectively, as set forth in the following schedules:

\$[_____] Series 2026 Bonds Maturing June 1, 20[___]

Mandatory Redemption Date (June 1)	Principal Amount to be Mandatorily Redeemed

*Final Maturity

\$[_____] Series 2026 Bonds Maturing June 1, 20[___]

Mandatory Redemption Date (June 1)	Principal Amount to be Mandatorily Redeemed

*Final Maturity

\$[_____] Series 2026 Bonds Maturing June 1, 20[___]

Mandatory Redemption Date (June 1)	Principal Amount to be Mandatorily Redeemed

*Final Maturity

\$[_____] Series 2026 Bonds Maturing June 1, 20[___]

Mandatory Redemption Date (June 1)	Principal Amount to be Mandatorily Redeemed

*Final Maturity

THE PRINCIPAL amount of the Bonds required to be redeemed pursuant to the operation of such mandatory redemptions shall be reduced by the principal amount of any Bonds of the same series and maturity date which, at least sixty (60) days prior to the mandatory sinking fund redemption date (a) shall have been purchased and delivered to the Trustee for cancellation, (b) shall have been purchased and canceled by the Trustee with funds furnished for such purpose, in each case at a purchase price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof or (c) shall have been redeemed pursuant to the optional redemption provision described below.

Optional Redemption. The Bonds are subject to optional redemption prior to scheduled maturity, in whole or in part, on June 1, 20[___] or on any date thereafter, at the option of the Company, upon written notice of the exercise of the option to redeem Bonds delivered to the Trustee by the Company at least thirty-five (35) days prior to the date fixed for redemption, at the following redemption prices (expressed as percentage of the principal amount of the Bonds to be redeemed), together with accrued interest thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis:

<u>Redemption Date</u>	<u>Redemption Price</u>
June 1, 20[] through and including May 31, 20[]	102%
June 1, 20[] through and including May 31, 20[]	101%
June 1, 20[] and thereafter	100%

Special Optional Redemption. The Bonds in an aggregate principal amount up to \$[] are subject to special optional redemption on any date after [] 1, 20[], from Campaign Receipts deposited into the Special Redemption Account of the Debt Service Fund (provided that any such redemption must be in Authorized Denominations) at a redemption price of 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date, without premium. Such special optional redemption shall be exercised upon the deposit by the Company of Campaign Receipts into the Special Redemption Account at least thirty-five (35) days prior to date fixed for redemption.

Mandatory Redemption Upon Determination of Taxability. The Bonds shall be redeemed in whole prior to maturity on a date selected by the Company which is not more than one hundred twenty (120) days following receipt by the Trustee of written notice of the occurrence of a Determination of Taxability (as hereinafter defined) at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon (if any) interpolated on a straight-line basis.

As used herein “Determination of Taxability” means a determination that the interest income on any of the Bonds does not qualify as interest excluded from gross income of the recipient thereof for the purpose of federal income taxation (“exempt interest”) under Section 103 of the Code (in the case of a private activity bond, for a reason other than that a registered owner is or a former registered owner was a substantial user within the meaning of Section 147 of the Code), which determination shall be deemed to have been made upon the first to occur of any of the following: (a) the date on which the Trustee is notified that an opinion of counsel is unable to be delivered to the effect that the interest on the Bonds qualifies as such exempt interest; or (b) the date on which the Trustee is notified by or on behalf of the Issuer that a change in law or regulation has become effective or that the Internal Revenue Service has issued any public or private ruling, technical advice memorandum or any other written communication or that there has occurred a ruling or decision of a court of competent jurisdiction with or to the effect that the interest income on any of the Bonds does not qualify as such exempt interest; or (c) the date on which the Company shall receive notice from the Trustee in writing that the Trustee has been notified by the Internal Revenue Service, or has been advised by the Issuer, the Company or any owner or former owner of a Bond that the Internal Revenue Service has issued a final determination (after the Issuer has exhausted all administrative appeal remedies and has determined not to pursue any remedies in a court of competent jurisdiction) which asserts that the interest on any of the Bonds does not qualify as such exempt interest.

Extraordinary Optional Redemption. The Bonds are subject to extraordinary redemption, at the option of the Issuer upon a Company Request, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with accrued interest thereon to the redemption date, plus an amount equal to the unamortized portion of the net original issue premium thereon

(if any) interpolated on a straight-line basis, on any date, in the event the Project is damaged, destroyed or condemned or threatened to be condemned, (i) in whole, if, in accordance with the terms of the Agreement, the Project is not reconstructed, repaired or replaced upon the change or destruction thereof, from insurance or condemnation proceeds transferred from the Project Fund to the Debt Service Fund which, together with an amount required to be paid by the Company pursuant to the Agreement, will be sufficient to pay the Bonds in full, or (ii) in part, after reconstruction, repair or replacement of the Project in accordance with the terms of the Agreement, from excess insurance or condemnation proceeds transferred from the Project Fund to the Debt Service Fund for such purpose.

IF LESS THAN ALL of the Bonds are called for redemption, the particular Bonds or portions thereof to be redeemed shall be redeemed by the Trustee in accordance with the written direction of the Company; provided, however, that portions of Bonds shall be redeemed in Authorized Denominations and that no redemption shall result in a Bond being held in less than an Authorized Denomination.

IN CASE PART, but not all, of this Bond shall be selected for redemption, the owner hereof or his attorney or legal representative shall present and surrender this Bond to the Trustee for payment of the redemption price, and the Issuer shall cause to be executed, authenticated and delivered to or upon the order of such owner or his attorney or legal representative, without charge therefor, in exchange for the unredeemed portion of the principal amount of this Bond so surrendered, a Bond of the same maturity and bearing interest at the same rate.

AT LEAST thirty (30) days prior to the date fixed for any redemption of the Bonds but not more than sixty (60) days prior to any redemption date, the Trustee shall cause a written notice of such redemption to be sent to each Bondholder to be redeemed, at the address appearing on the Bond Register on the date such notice is sent by the Trustee. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. By the date fixed for any such redemption, due provision shall be made with the Trustee and the Paying Agent for the payment of the appropriate redemption price, premium, if any, and interest accrued hereon. If such written notice of redemption is made, due provision for payment of the redemption price is made and all conditions to the redemption have been fulfilled, all as provided above and in the Bond Indenture, the Bonds which are to be redeemed shall become due and payable at the redemption price and from and after such date shall cease to bear interest. If any Bond shall not be paid upon the surrender thereof for redemption, the principal shall, until paid, bear interest at the rate borne by this Bond.

IF THE DATE for any such payment on this Bond shall be a Saturday, a Sunday or a legal holiday or the equivalent for banking institutions generally (other than a moratorium) at the place where payment thereof is to be made, then such payment may be made on the next succeeding day which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment.

IT IS HEREBY CERTIFIED AND COVENANTED that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, exist, and been done in accordance with law; that this Bond is a special

limited revenue obligation of the Issuer, and that the principal of, premium, if any, and interest on this Bond are payable from and secured by a lien on and pledge of Trust Estate with the payments designated as Loan Payments (the “**Loan Payments**”) to be paid, or caused to be paid, to the Trustee, pursuant to the Agreement, as evidenced by the Series 2026 Note issued by the Company to the Issuer pursuant to the Supplemental Indenture and the Agreement, as evidenced by an assignment by the Issuer to the Trustee of the Series 2026 Note to evidence the Company’s obligations to make Loan Payments under the Agreement to the Trustee. The Company is unconditionally obligated (subject only to the provisions of the Agreement relating to merger, consolidation, and transfer of assets) to the Issuer and the Trustee to pay, or cause to be paid, without set off, recoupment, or counterclaim, to the Trustee each Loan Payment for deposit into the Debt Service Fund created for the benefit of the owners of the Bonds by the Bond Indenture, in aggregate amounts sufficient to pay and redeem, and provide for the payment and redemption of, the principal of, premium, if any, and interest on the Bonds, when due, and to make certain other deposits as required by the Bond Indenture, subject to and as required by the provisions of the Agreement, the Series 2026 Note, and the Bond Indenture.

THE BONDS are secured by the Bond Indenture whereunder the Trustee is custodian of the Debt Service Fund and is obligated to enforce the rights of the owners of the Bonds and to perform other duties in the manner and under the conditions stated in the Bond Indenture. In case an “Event of Default,” as defined in the Bond Indenture, shall occur, the principal of the Bonds then Outstanding may be declared to be due and payable immediately upon the conditions and in the manner provided in the Bond Indenture. The Trustee shall, upon written request of the owners of at least a majority in principal amount of the Bonds then Outstanding, waive, as permitted by the Bond Indenture, any Event of Default and its consequences except a default in the payment of the principal of (or premium, if any) or interest on any Bond or a default in respect of a covenant or provision of the Bond Indenture which under the Bond Indenture cannot be modified or amended without the consent of the holder of each Outstanding Bond affected. The holder of this Bond shall have no right to institute any action, suit, or proceeding at law or in equity to enforce the Bond Indenture except as provided in the Bond Indenture; provided that nothing in the Bond Indenture shall affect or impair the rights of the owner hereof to enforce the payment of the principal of, premium, if any, and interest on this Bond from the source and in the manner herein expressed. Reference is hereby made to the Bond Indenture for additional provisions with respect to the nature and extent of the security for the Bonds; the rights, duties, and obligations of the Company, the Issuer, the Trustee, and the Bondholders; the terms upon which the Bonds are issued and secured; and the modification of any of the foregoing.

THE ISSUER has reserved the right to amend the Bond Indenture, as provided therein; and, under some (but not all) circumstances, amendments thereto must be approved by the owners of at least a majority in aggregate principal amount of the Outstanding Bonds.

[To appear on Initial Bond only]

This Bond shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Indenture until the certificate of registration hereon shall have been manually executed by the Comptroller of Public Accounts of the State of Texas (or his duly authorized deputy), as provided by the Bond Indenture.

[To appear on each exchange or replacement Bond]

This Bond shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Indenture until the certificate of authentication hereon shall have been executed by the Trustee.

[Signature page follows]

IN WITNESS WHEREOF, Arlington Higher Education Finance Corporation has caused this Bond to be executed with the manual or facsimile signatures of its duly authorized officers, all as of the date first set forth above.

**ARLINGTON HIGHER EDUCATION
FINANCE CORPORATION**

By: _____
President, Board of Directors

ATTEST:

Secretary, Board of Directors

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Bond Indenture which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

UMB BANK, NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signature

Date of authentication:

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

Please insert Social Security or Taxpayer Identification number of Transferee _____

(Please print or typewrite name and address, including zip code of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____

attorney, to register the transfer of the within Bonds on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company that is a medallion guarantor. The assignor's 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 any change whatever.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatsoever.

4. Initial Series 2026 Bond.

The Initial Bond shall be in the form set forth in "Form of Bond" above except for the following alterations:

(a) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP" deleted;

(b) in the first paragraph of the Bond, the words "on the Maturity Date set forth above (or earlier as hereinafter provided)" and "at the per annum rate set forth above" shall be deleted and the following shall be inserted after "has been paid or provided for" "with such principal to be paid in installments on June 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:"

[Schedule to be inserted from Section 202]

(c) The Initial Bond shall be numbered R-1 and shall be payable to Stifel, Nicolaus & Company, Incorporated

5. Form of Comptroller's Registration Certificate to appear on Initial Bond only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF COMPTROLLER

§

§

STATE OF TEXAS

§

REGISTER NO. _____

I HEREBY CERTIFY that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

EXHIBIT B

FORM OF REQUISITION CERTIFICATE

Date _____

Requisition No. _____

UMB Bank, National Association, as Trustee
3070 Bristol Street, Suite 300
Costa Mesa, CA 92626
Attention: Corporate Trust Services

REQUISITION CERTIFICATE

Ladies and Gentlemen:

This certificate is provided pursuant Section 404 of the Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “**Bond Indenture**”) by and between Arlington Higher Education Finance Corporation (the “**Issuer**”) and UMB Bank, National Association (the “**Trustee**”) for requesting payment of a certain amount as provided herein.

On behalf of Logos Preparatory Academy (the “**Company**”), the undersigned hereby certifies as follows:

(i) There has been expended, or is being expended concurrently with the delivery of this certificate, on account of [Project Costs, as defined in the Agreement] [Costs of Issuance, as defined in the Agreement] an amount at least equal to the amount requisitioned below for disbursement;

(ii) No Event of Default under the Bond Indenture has occurred and is continuing;

(iii) No other Request in respect of the expenditures set forth in clause (i) above is being or has previously been delivered to the Trustee;

(iv) With respect to this requested disbursement, the Company (i) certifies that it has reviewed any wire instructions set forth in this written disbursement direction to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including, but not limited to, attorneys’ fees and expenses resulting directly or indirectly as a result of making the disbursement requested, and (iii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with the disbursement direction;

[(v) The portion of the amount of the proceeds of the Series 2026 Bonds requested that will be used to pay Costs of Issuance plus all previous amounts requested for Costs of

Issuance does not exceed 2 percent of the proceeds of the Series 2026 Bonds deposited into the Proceeds Fund;]

[(vi) The portion of the amount representing Proceeds of the Series 2026 Bonds requested to pay Project Costs which are Qualifying Costs (as such term is defined in Section 5.3 of the Agreement) plus all previous amounts requested for Project Costs which are Qualifying Costs is not less than 95 percent of the Net Proceeds of the Series 2026 Bonds deposited into the Project Fund requested to date; and]

[You are hereby directed to pay the amount of \$_____ from the Project Account of the Project Fund in the amounts and to the parties as set forth in the attached schedule.]

[You are hereby directed to pay the amount of \$_____ from the Reimbursement Account of the Project Fund in the amounts and to the parties as set forth in the attached schedule.]

[You are hereby directed to pay the amount of \$_____ from the Costs of Issuance Account of the Project Fund in the amounts and to the parties as set forth in the attached schedule. Such amount, in addition to amounts previously paid from the Costs of Issuance Account of the Project Fund pursuant to the terms of the Bond Indenture does not exceed \$_____.]

[You are hereby directed to pay the amount of \$_____ from the Insurance Proceeds Account of the Project Fund in the amounts and to the parties as set forth in the attached schedule.]

[The disbursement(s) requested hereunder does not require the consent of a Construction Consultant as provided in Section 404 of the Bond Indenture.]

[All amounts previously drawn have been paid to the payee named in the next preceding requisition and lien waivers or partial lien waivers and/or paid invoices evidencing such payment have been received.]

[Payment of all Costs requisitioned herein shall satisfy all outstanding claims for labor, materials and fixtures and any lien waivers or partial lien waivers and/or paid invoices evidencing such payment shall be obtained.]

[The undisbursed amount on deposit in the Project Account of the Project Fund is sufficient to pay the cost of completing the construction of improvements in accordance with the plans and specifications for the Project payment of any retainages then owed.]

[We have received the executed certificate entitled "Architect's Certificate for Payment" contained on the "Application and Certificate for Payment" (AIA Document G702) from the architect for the Project.]

[Only for the final disbursement: The Project was completed on _____, and has been acquired, constructed/renovated and equipped by the Company in substantial compliance with the plans and specifications relating thereto]

[Only for the final disbursement: A permanent certificate of occupancy has been issued and all so-called “punch-list” items have been completed.]

LOGOS PREPARATORY ACADEMY

By: _____
Authorized Representative

Construction Consultant Approval (if necessary -- may be attached)

Name _____
Title: Construction Consultant

EXHIBIT C

FORM OF INVESTOR LETTER

UMB Bank, National Association, as Trustee
Costa Mesa, California

Stifel, Nicolaus & Company, Incorporated
Los Angeles, California

Arlington Higher Education Finance Corporation
Arlington, Texas

Re: Arlington Higher Education Finance Corporation Education Revenue
Bonds (Logos Preparatory Academy) Series 2026

Ladies and Gentlemen:

The undersigned (the “**Investor**”) hereby acknowledges that it is purchasing \$_____ aggregate principal amount of Arlington Higher Education Finance Corporation (the “**Issuer**”) Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “**Bonds**”) issued in authorized principal denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, provided that if the Bonds are rated “BBB-” or “Baa3,” as applicable, or better, principal denominations shall be reduced to \$25,000 and any integral multiple of \$5,000 in excess thereof, pursuant to a Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “**Bond Indenture**”) by and between of the Issuer and UMB Bank, National Association. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Indenture.

This letter is being provided pursuant to a Bond Purchase Agreement, dated [_____], 2026 (the “**Bond Purchase Agreement**”), among the Issuer, Logos Preparatory Academy (the “**Borrower**”) and Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”).

The Investor acknowledges that the proceeds of the Bonds will be used for the purposes, and Bond principal and interest thereon shall be payable solely from the sources, described in the Preliminary Limited Offering Memorandum dated [_____], 2026 (the “**Offering Document**”).

In connection with the sale of the Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Bonds.
2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “**Securities Act**”), or (b) an “accredited investor” as that term is defined in Rule 501 of Regulation D under the Securities Act, and, therefore, has sufficient knowledge and experience

in financial and business matters, including the purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Investor acknowledges:

The Bonds are being acquired by the Investor for

(A) investment and not with a current view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds the solely for its own account for investment purposes for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Bonds. However, the Investor may sell the Bonds at any time the Investor deems appropriate, subject to the transfer restrictions set forth in the Bonds and in the Bond Indenture. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since a sale of the Bonds, or any portion thereof, prior to maturity may not be possible. The Investor understands that the Bonds will be issued only in authorized minimum denominations, and confirms that it will not allocate Bonds to accounts in violation of such limitations; and

(B) to the extent the Investor is purchasing the Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors which meet the qualifications for investors as set forth in the Bond Indenture and as described in subparagraph 2 of this paragraph. The Investor understands that the Underwriter will not facilitate the establishment of such accounts and that the Bonds will be issued only in authorized minimum denominations, and confirms that it will not facilitate the deposit of Bonds into accounts in violation of such limitations.

4. The Investor understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will carry a rating from a rating agency, and (d) will be delivered in a form that may not be readily marketable.
5. The Investor has been supplied with, and reviewed, a copy of the Offering Document for the Bonds. None of the Issuer, the Borrower nor the Underwriter has made any representations to the Investor other than as set forth in the Offering Document, as amended to the date of this letter.
6. The Investor acknowledges that the obligations of the Issuer under the Bond Indenture are limited and carry material risks associated with the timely and full payment of principal and interest on the Bonds given the nature of the securities and the security pledges including the risks as described in the Offering Documents.

7. The Investor acknowledges and agrees that the Underwriter, the Borrower and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Bond Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Investor.
8. The Investor agrees that it is bound by and will abide by the provisions of the Bond Indenture relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Investor.
9. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.
10. The interpretation of the provisions hereof shall be governed and construed in accordance with Texas law without regard to principles of conflicts of laws.
11. All representations of the Investor contained in this letter shall survive the execution and delivery of the Bonds to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date: [_____] , 20[____]

Very truly yours,

Investor: _____

By: _____

Name: _____

Title: _____

APPENDIX G
FORM OF LOAN AGREEMENT

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LOAN AGREEMENT

between

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION

and

LOGOS PREPARATORY ACADEMY

relating to

\$[_____]

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BONDS
(LOGOS PREPARATORY ACADEMY)
SERIES 2026

dated as of

March 1, 2026

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1	Construction of Terms; Definitions.....	2
Section 1.2	Form of Documents Delivered to Trustee.....	6
Section 1.3	Communications.....	7
Section 1.4	Term of Agreement.....	7
Section 1.5	Company's Approval of Bond Documents.....	7
Section 1.6	Effect of Headings and Table of Contents.....	7
Section 1.7	Successors and Assigns.....	7
Section 1.8	Severability Clause.....	7
Section 1.9	Benefits of Agreement.....	7
Section 1.10	Governing Law.....	7
Section 1.11	Amendments.....	8

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.1	Representations, Warranties and Covenants of the Issuer.....	8
Section 2.2	Representations and Warranties of the Company.....	9

ARTICLE III

THE PROJECT

Section 3.1	Acquisition and Construction of the Project.....	13
Section 3.2	Disbursements of Bond Proceeds.....	13
Section 3.3	Completion of Project if Bond Proceeds Insufficient.....	14
Section 3.4	Completion.....	14
Section 3.5	Modification of the Project.....	14
Section 3.6	Casualty and Condemnation.....	14
Section 3.7	Inspection of the Project.....	16
Section 3.8	Maintenance and Operation.....	16
Section 3.9	No Establishment and No Impairment of Religion.....	16
Section 3.10	Issuer Relieved From Responsibility With Respect to Project.....	17
Section 3.11	Force Majeure.....	17
Section 3.12	Insurance.....	17
Section 3.13	Disposition of Project.....	17

ARTICLE IV

PAYMENTS

Section 4.1	Loan Payments.....	17
Section 4.2	Prepayment of Loan; Redemption of Bonds	18
Section 4.3	Security Interests.....	18
Section 4.4	Nature of Obligations of the Company	20
Section 4.5	Limitation on Interest.....	20
Section 4.6	Debt Service Reserve Fund.....	21
Section 4.7	Fees and Expenses.....	21
Section 4.8	Repair and Replacement Fund Deposits; Facilities Consultant.	22

ARTICLE V

COVENANTS OF THE COMPANY

Section 5.1	Indemnification.....	22
Section 5.2	Removal of Liens.....	25
Section 5.3	Tax Covenants	25
Section 5.4	Notice of Default.....	31
Section 5.5	Further Assurances and Corrective Instruments; Recordation.....	32
Section 5.6	Environmental Indemnity	32
Section 5.7	Existence of the Company	33
Section 5.8	Continuing Disclosure Undertaking.	33
Section 5.9	Treatment of Funds in Bankruptcy	34

ARTICLE VI

EVENTS OF DEFAULT; REMEDIES

Section 6.1	Events of Default Defined	34
Section 6.2	Remedies Upon An Event of Default.....	34
Section 6.3	No Remedy to be Exclusive	35
Section 6.4	No Additional Waiver Implied by One Waiver.....	35
Section 6.5	Remedial Rights Assigned to the Trustee	35
Section 6.6	Agreement to Pay Attorney's Fees and Expenses.....	35

ARTICLE VII

MISCELLANEOUS

Section 7.1	Severability of Provisions of this Agreement.....	36
Section 7.2	Execution of this Agreement in Counterparts	36
Section 7.3	Captions and Preambles.....	36
Section 7.4	No Pecuniary Liability of the Issuer.....	36
Section 7.5	Payment to the Issuer	36

Section 7.6	Status of the Parties’ Relationship.....	36
Section 7.7	Governing Law	36
Section 7.8	Final Agreement.....	36
Section 7.9	Third Party Beneficiaries.....	37

EXHIBIT A – Description of Project

EXHIBIT B – Form of Completion Certificate

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Agreement**”), dated as of March 1, 2026, is between **ARLINGTON HIGHER EDUCATION FINANCE CORPORATION**, a non-profit, corporation created and existing under the Act (the “**Issuer**”), and **LOGOS PREPARATORY ACADEMY**, a Texas non-profit corporation (the “**Company**”).

WITNESSETH:

WHEREAS, the City of Arlington, Texas (the “**City**”), a political subdivision of the State of Texas (the “**State**”), has, pursuant to Chapters 53 and 53A of the Texas Education Code (the “**Act**”), and specifically Section 53A.35(b) and Section 53A.48 thereof, approved and created the Issuer as a nonstock, nonprofit corporation;

WHEREAS, the Issuer is a constituted authority and instrumentality (within the meaning of those terms in the Regulations of the Department of the Treasury and the rulings of the Internal Revenue Service (the “**IRS**”) prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1986, as amended);

WHEREAS, the Issuer, on behalf of the City, is empowered to issue its revenue bonds in order to enable an “accredited primary or secondary school” or “authorized charter school” to finance or refinance the acquisition, construction, enlargement, extension, repair, renovation, or other improvements to an educational or housing facility or any facilities incidental, subordinate, or related thereto or appropriate in connection therewith, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to such bonds;

WHEREAS, pursuant to the Act, the Company is a primary or secondary school, including a preschool, that is accredited by ACSI which is an accreditation body that is a member of the Texas Private School Accreditation Commission;

WHEREAS, in furtherance of the purposes of the Act, the Issuer proposes to issue its \$[_____] Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “**Series 2026 Bonds**” or the “**Bonds**”), the proceeds of which will be loaned to the Company to be used to (i) finance and refinance the cost of the acquisition, construction, enlargement, extension, repair, renovation, or other improvement of certain “educational facilities” (as that term is defined in the Act) and facilities incidental, subordinate or related thereto or appropriate in connection therewith, (ii) establish a debt service reserve fund, (iii) fund capitalized interest and (iv) pay the costs of issuing the Bonds;

WHEREAS, contemporaneously with the execution and delivery of this Agreement, the Issuer has entered into the Trust Indenture and Security Agreement (the “**Indenture**”) dated as of March 1, 2026, between the Issuer and UMB Bank, National Association, as Trustee (in such capacity, the “**Trustee**”) for the purposes of effecting the issuance of the Bonds, furthering the public purposes of the Act and securing to the Bondholders the payment of the Bonds;

WHEREAS, the Company is a party to that certain Master Trust Indenture and Security Agreement dated March 1, 2026 (the “**Master Indenture**”), between the Company, on behalf of itself and UMB Bank, National Association, as Master Trustee (the “**Master Trustee**”), as

supplemented by Supplemental Master Trust Indenture No. 1 dated as of March 1, 2026 (the “**Supplemental Master Indenture**”), which secures payment of certain Debt (as defined in the Master Indenture) of the Company including the Series 2026 Note (as hereinafter defined) which evidences the Loan made hereby (the “**Loan**”) by the Issuer to the Company of the proceeds of the Bonds;

WHEREAS, the Issuer shall issue the Bonds in order to loan the proceeds thereof pursuant to this Agreement to the Company and the Company agrees to repay the Loan on the terms set forth herein;

WHEREAS, pursuant to the provisions of this Agreement, the Company is executing and delivering to the Issuer the Series 2026 Note to evidence the loan of the proceeds of the Bonds, to the Company and the obligation of the Company under this Agreement to repay the same, and the Series 2026 Note is a “Master Note” under the Master Indenture;

WHEREAS, pursuant to the provisions of this Agreement, the Issuer is collaterally assigning to the Trustee all of the Issuer’s right, title and interest in the Series 2026 Note and the Loan Payments (as hereinafter defined) to be made by the Company pursuant to this Agreement; and

NOW THEREFORE, in consideration of the premises and other good and valuable consideration and the mutual benefits, covenants and agreements set forth below, the parties agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1 Construction of Terms; Definitions.

(a) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(1) “**Agreement**” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more agreements supplemental hereto entered into pursuant to the applicable provisions hereof.

(2) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

(3) The terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular. The terms used herein but defined in the Indenture and the Master Indenture and not defined herein have the meanings assigned to them in the Indenture and the Master Indenture. Reference to any Bond Document means that Bond Document as amended or supplemented from time to time. Reference to any party to a Bond Document means that party and its permitted successors and assigns.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(b) The following terms have the meanings assigned to them below whenever they are used in this Agreement:

“Additions” means any and all real or personal property or any interest therein wherever located or used (i) which is desirable in the business of the Company; (ii) the cost of construction, acquisition or development of which is properly chargeable to the property accounts of the Company, in accordance with generally accepted accounting principles; and (iii) which is deemed for federal income tax purposes to be owned by the Company.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Bond Counsel” means Butler Snow LLP or any other attorney or firm of attorneys nationally recognized as having expertise in the practice of tax exempt municipal finance law as approved by the Company and satisfactory to the Trustee.

“Bond Documents” means this Agreement, the Indenture, the Series 2026 Note, the Bonds, the Master Indenture, the Supplemental Master Indenture, the Deposit Account Control Agreement (as defined in the Master Indenture), the Bond Purchase Agreement, the Deed of Trust, and all other agreements, documents and instruments ever delivered pursuant to any of the foregoing and any and all future renewals and extensions or restatements of any of the foregoing.

“Bond Year” has the meaning set forth in Section 5.3 hereof.

“Capital Expenditures” means, as of the date of determination thereof, the aggregate of the costs paid (otherwise than by incurring or acquiring property subject to purchase money obligations) prior to such date by the Company in connection with the construction, acquisition or development of the Project or Additions, as the case may be, and properly chargeable to the property accounts of the owner thereof in accordance with generally accepted accounting principles and so charged, including, without limitation, payments made for labor, salaries, overhead, materials, interest, taxes, engineering, accounting, legal expenses, superintendence, insurance, casualty liabilities, rentals, start-up expenses, financing charges and expenses and all other items (other than operating or maintenance expenses) in connection with such construction, acquisition or development and so properly chargeable and, in the case of Capital Expenditures for Additions consisting of an acquired facility, including the cost of any franchises, rights or property, other than Additions, acquired as a part of such going business for which no separate or distinct consideration shall have been paid or apportioned.

“Claims” means all claims, investigations, lawsuits, causes of action and other legal actions and proceedings of whatever nature brought against (whether by way of direct action, counter claim, cross action or impleader) or otherwise involving any Indemnified Party, even if groundless, false,

or fraudulent, so long as the claim, lawsuit, cause of action or other legal action or proceeding is alleged or determined, directly or indirectly, to arise out of, to result from, to relate to or to be based upon, in whole or in part: (a) the issuance of the Bonds, (b) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the issuance of the Bonds, the obligations of the various parties arising under the Bond Documents or the administration of any of the Bond Documents, or (c) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof.

“Closing Date” means the date of closing of the issuance of the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and the corresponding provisions, if any, of any successor internal revenue laws of the United States.

“Computation Date” has the meaning set forth in Section 5.3 herein.

“Construction Consultant” means the respective construction consultant, designated by the Company, for any part of the Project.

“Debt” shall have the meaning assigned to such term in the Master Indenture.

“Debt Service Reserve Fund” means the special trust fund created pursuant to Section 406 of the Indenture.

“Extraordinary Optional Redemption” shall have the meaning assigned to such term in Exhibit A to the Indenture.

“Fiscal Year” means any twelve-month period beginning on June 1 of any calendar year and ending on May 31 of the following year or such other twelve-month period selected by the Company as the fiscal year for the Company; provided that, the Company shall give written notice of any such change to the Issuer and the Trustee.

“Highest Lawful Rate” means the maximum rate of nonusurious interest (determined as provided in this Agreement) applicable to each loan made to the Company under this Agreement allowed from time to time by applicable law as is now in effect or, to the extent allowed by applicable law, such higher rate as may hereafter be in effect.

“Indemnified Party” shall mean one or more of the Issuer, the Governing Body of the Issuer, the City and any of their successors, officers, directors, council members or commissioners.

“Indenture” has the meaning ascribed to such term in the fifth recital hereof.

“Independent” when used with respect to any specified Person means such a Person who (i) is in fact independent, (ii) does not have any direct financial interest or any material indirect financial interest in the Company, and (iii) is not connected with the Company as an officer, employee, promoter, trustee, partner, director or person performing similar functions. Whenever it is herein or in the Indenture provided that any Independent Person’s opinion or certificate shall be furnished to the Trustee, such Person shall be appointed by Order and such opinion or certificate

shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“Loan Payments” means the amounts described in Sections 4.1(a) and (b) of this Agreement.

“Losses” means losses, liability, costs, proceedings, suits, damages, penalties, costs and expenses, including without limitation, the costs and expense of reasonable attorney’s, accountant’s, and other professional’s fees and their staffs and all expenses of document location, duplication and shipment and of preparation to defend and defending any of the foregoing, judgments, and liabilities of whatever nature (including litigation and court costs and expenses, amounts paid in settlement and amounts paid to discharge judgments and amounts payable by an Indemnified Party or the Indemnites (as defined in Section 5.1(h) hereof) to any other Person under any arrangement providing for indemnification of that Person) directly or indirectly resulting from arising out of or relating to one or more Claims.

“Opinion of Counsel” means a written opinion of counsel, who may (except as otherwise expressly provided) be counsel to any party to a Bond Document, and shall be satisfactory to the Trustee.

“Organizational Documents” of any corporation means the articles of incorporation, certificate of incorporation, corporate charter or other document pursuant to which such corporation was organized, and its bylaws, each as amended from time to time, and as to any other Person, means the instruments pursuant to which it was created and which govern its powers and the authority of its representatives to act on its behalf.

“Plans and Specifications” means the plans and specifications for the Project, as the same may be prepared or amended from time to time as provided in Section 3.1 hereof, on file at the principal business office of the Company and available at all times for inspection by the Issuer.

“Project” means the Project described in EXHIBIT A hereto.

“Project Costs” means costs permitted to be paid out of proceeds of the Bonds by the Act and by the Code including costs related to the Project (excluding the Costs of Issuance).

“Regulated Chemical” means any substance, the presence of which requires investigation, permitting, control or remediation under any federal, state or local statute, regulation, ordinance or order, including without limitation:

(a) any substance defined as “hazardous waste” under the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.);

(b) any substance defined as a “hazardous substance” under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.);

(c) any substance defined as a “hazardous material” under the Hazardous Materials Transportation Act (49 U.S.C. §1800 et seq.);

(d) any substance defined under any Texas statute analogous to (a), (b) or (c), to the extent that said statute defines any term more expansively;

(e) asbestos;

(f) urea formaldehyde;

(g) polychlorinated biphenyls;

(h) petroleum, or any distillate or fraction thereof;

(i) any hazardous or toxic substance designated pursuant to the laws of the State; and

(j) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority.

“Series 2026 Bonds” means Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026 and any bonds issued upon transfer thereof or in exchange therefor or in lieu thereof.

“Series 2026 Note” means the promissory note in the form attached to the Supplemental Master Indenture as Exhibit A, which is secured by the Master Indenture, executed by the Company and dated the Closing Date in the principal amount of the Series 2026 Bonds.

“State” means the State of Texas

(c) Certain terms used primarily in Section 5.3 are defined in that Section.

(d) Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

Section 1.2 Form of Documents Delivered to Trustee. Every certificate and every Opinion of Counsel with respect to compliance with a condition or covenant provided for in this Agreement shall include a statement that the Person making such certification or opinion has read such covenant or condition and the definitions relating thereto, has made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether such covenant or condition has been complied with, and a statement whether such condition or covenant has been complied with. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, in so far as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are

erroneous. Any such certificate or Opinion of Counsel may be based, in so far as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments hereunder, they may, but need not, be consolidated and form one instrument.

Section 1.3 Communications. All notices, demands, certificates, requests, consents, submissions or other communications hereunder shall be given as provided in the Indenture.

Section 1.4 Term of Agreement. This Agreement shall remain in full force and effect from the date of execution and delivery hereof until the Indenture has been discharged in accordance with the provisions thereof; provided, however, that (a) the provisions of this Section and of Section 3.10, Section 4.7, Section 5.1, Section 5.3, Section 5.6, Section 6.6 and Section 7.5 of this Agreement shall survive any expiration or termination of this Agreement and (b) in addition, if the Indenture is discharged prior to the final Maturity of the Bonds, the provisions of Section 3.6, Section 3.9, Section 4.1, Section 5.3, Section 5.6 and Section 5.7 of this Agreement shall continue until the final Maturity of the Bonds.

Section 1.5 Company's Approval of Bond Documents. The Bond Documents have been submitted to the Company for examination, and the Company acknowledges that, by execution of this Agreement, it has approved the Bond Documents and will perform the obligations imposed upon it under the Bond Documents.

Section 1.6 Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.7 Successors and Assigns. All covenants and agreements in this Agreement by the Issuer and the Company shall bind their respective successors and assigns, whether so expressed or not. No assignment by the Issuer or the Company of this Agreement shall relieve them of their obligations hereunder.

Section 1.8 Severability Clause. In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.9 Benefits of Agreement. Subject to Section 8.9 hereof, nothing in this Agreement or in the Bonds, express or implied, shall give to any Person, other than the parties to the Bond Documents and their successors and assigns hereunder, the Indemnified Parties and the Bondholders, any benefit or any legal or equitable right, remedy or claim under this Agreement.

Section 1.10 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State.

Section 1.11 Amendments. This Agreement may be amended only as provided in the Indenture.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.1 Representations, Warranties and Covenants of the Issuer. The Issuer represents, warrants and covenants that:

(a) Corporate Existence; Good Standing. The Issuer is a non-profit higher education finance corporation duly incorporated, organized, validly existing and in good standing under the Act and is empowered to act on behalf of the City.

(b) Power. The Issuer has full corporate power and authority under the Constitution and laws of the State and its Organizational Documents to adopt the resolution authorizing the issuance of the Bonds, to issue the Bonds, to execute and deliver the Bond Documents to be executed and delivered by it and to perform its obligations under such Bond Documents.

(c) Due Authorization. The Issuer has duly adopted the resolution authorizing the issuance of the Bonds and has duly authorized the execution and delivery of the Bond Documents to be executed and delivered by it.

(d) Enforceability. The Bond Documents to which the Issuer is a party and the Bonds constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms (except that (i) the enforceability of such Bond Documents may be limited by bankruptcy, reorganization, insolvency, fraudulent transfer, moratorium or other similar laws of general application relating to the enforcement of creditors' rights, (ii) certain equitable remedies, including specific performance, may be unavailable and (iii) the indemnification provisions contained therein may be limited by applicable securities laws and public policy).

(e) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court, either State or federal, or public board or body pending or, to the Issuer's knowledge, threatened calling into question the creation or existence of the Issuer, the validity of the Bond Documents to be executed and delivered by it, the authority of the Issuer to execute and deliver the Bond Documents to be executed and delivered by it and to perform its obligations under the Bond Documents or the title of any Person to the office held by that Person with the Issuer.

(f) Non-Contravention. The execution and delivery by the Issuer of the Bond Documents to be executed and delivered by it, and the performance of its obligations under such Bond Documents, will not violate in any respect any provision of law or regulation, or of any judgment, decree, writ, order or injunction, or of the Organizational Documents of the Issuer, and to the Issuer's knowledge, will not contravene the provisions of, or constitute a default under, or result in the creation of a lien, charge or encumbrance under, any agreement (other than the Indenture) to which the Issuer is a party or by which any of its properties constituting a part of the Trust Estate under the Indenture are bound.

(g) No Default. To the Issuer's knowledge, no event has occurred, and no condition currently exists, which constitutes or may, with the passage of time or the giving of notice, or both, constitute an Event of Default on the part of the Issuer.

(h) Amendments. The Issuer covenants that it will perform each of the covenants set forth in Article V of the Indenture for the benefit of the Company, and unless an Event of Default exists, will not join in any amendment of any Bond Document without the consent of the Company.

Each of the foregoing representations, warranties and covenants shall be deemed to have been made as of the date of this Agreement and again as of the Closing Date.

Section 2.2 Representations and Warranties of the Company. In addition to any other representation and warranty of the Company herein, the Company represents and warrants as follows:

(a) Corporate Existence; Good Standing; Power. The Company is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State; is duly qualified, authorized and licensed to transact business in each jurisdiction wherein failure to qualify would have a material adverse effect on the conduct of its business or the ownership of its properties; and has full corporate power and authority to own its properties and to conduct its business as now being conducted.

(b) Accuracy of Information; No Misstatements. All of the documents, instruments and written information furnished by or on behalf of the Company to the Issuer or the Trustee in connection with the issuance of the Bonds are true and correct in all material respects and do not omit or fail to state any material facts necessary or required to be stated therein to make the information provided not misleading.

(c) No Defaults; Non Contravention. No event of default or event which, with notice or lapse of time or both, would constitute an event of default or a default under any agreement or instrument to which the Company is a party or by which the Company is or may be bound or to which any of the property or assets of the Company is or may be subject, and which would have a material adverse effect on the Company or which would impair its ability to carry out its obligations under the Bond Documents has occurred and is continuing; neither the execution nor the delivery by the Company of the Bond Documents to which it is party, nor the consummation of any of the transactions herein and therein contemplated nor the fulfillment of, or compliance with, the terms and provisions hereof or thereof, will contravene the Organizational Documents of the Company or will conflict with, in any way which is material to the Company, or result in a breach of, any of the terms, conditions or provisions of, or constitute a default under, any corporate or limited partnership restriction or any bond, debenture, note, mortgage, indenture, agreement or other instrument to which the Company is a party or by which the Company is or may be bound or to which any of the property or assets of the Company is or may be subject, or any law or any order, rule or regulation (applicable as of the date hereof to the Company) of any court, or regulatory body, administrative agency or other governmental body having jurisdiction over the Company or its properties or operations, or will result in the creation or imposition of a prohibited lien, charge or other security interest or encumbrance of any nature upon any property or asset of the Company under the terms of any such restriction, bond, debenture, note, mortgage, indenture, agreement, instrument, law, order, rule or regulation.

(d) No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened, wherein an adverse decision, ruling or finding (i) would result in any material adverse change in the condition (financial or otherwise), results of operations, business or prospects of the Company or which would materially and adversely affect the properties of the Company, or (ii) would materially and adversely affect the transactions contemplated by, or the validity or enforceability of, the Bond Documents to which it is a party.

(e) Corporate Authority; Authorization and Enforceability of Transaction. The Company has full corporate power and authority to execute and deliver the Bond Documents to be executed by the Company and has full power and authority to perform its obligations hereunder and thereunder and engage in the transactions contemplated by the Bond Documents to be executed by it. The Bond Documents to be executed by the Company have been duly authorized, executed and delivered by the Company and each constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms (except that (i) the enforceability of such Bond Documents may be limited by bankruptcy, reorganization, insolvency, fraudulent transfer, moratorium or other similar laws of general application relating to the enforcement of creditors' rights, (ii) certain equitable remedies, including specific performance, may be unavailable and (iii) the indemnification provisions contained therein may be limited by applicable securities laws and public policy).

(f) All Approvals. Except as otherwise disclosed in writing in connection with the offering of the Bonds, no consents, approvals, including federal tax related approvals, authorizations or any other actions by any governmental or regulatory authority that have not been obtained or taken are or will be required for the issuance and sale of the Bonds, the execution and delivery of the Bond Documents by the Company, the construction, ownership and operation of the Project or the consummation of the other transactions contemplated by the Bond Documents (except for such licenses, certificates, approvals or permits necessary for the construction of the Project for which the Company either has applied or shall apply with due diligence and which the Company expects to receive).

(g) No Conflict of Interest. No elected or appointed public official, employee, agent or representative of the City or any of its official boards, commissions or committees or any member of the Governing Body of the Issuer has any direct or indirect interest of any kind, or any right, agreement or arrangement to acquire such an interest in the Project, as owner, contractor, subcontractor, shareholder, general or limited partner, tenant or otherwise that would violate or require disclosure or other action under any law, regulation, charter or ordinance of the State or the City. All applicable state and local law requirements governing conflicts of interest and any additional conflict of interest requirements prescribed by the Secretary of the Treasury have been and will be satisfied with respect to the Bonds.

(h) Representations Regarding the Project. The Company intends to acquire and operate the Project during the term of this Agreement and to expend a portion of the proceeds of the Bonds in the Project Account of the Project Fund to pay Project Costs. In addition, the Project will be located in its entirety within the boundaries of the Fort Bend County, Texas. The principal amount of the Bonds is based upon the Company's most reasonable estimate of financing or refinancing the Project Costs as of the date hereof, which estimates are based upon sound engineering and accounting principles. The ownership of the Project will at all times be under the exclusive control and held for the exclusive benefit of the Company. The Company has obtained or will obtain all licenses and

permits necessary with respect to any acquisition, construction, reconstruction, improvement, expansion or operation, as the case may be, of the Project and all necessary approvals from any governmental bodies or agencies having jurisdiction in connection therewith.

(i) Certain Federal Tax Matters. The Company makes the following representations:

(1) The Company is an organization exempt from federal income taxation as provided in Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code;

(2) The purposes, character, activities and methods of operation of the Company are not materially different from the purposes, character, activities and methods of operation at the time of its determination by the IRS as an organization described in Section 501(c)(3) of the Code (the “**Determination**”) or otherwise at the time of its organization as an exempt organization within the meaning of Section 501(c)(3) of the Code, or have been disclosed to the IRS and the Company has received confirmation that such activities or methods of operation do not materially adversely affect the status of the Determination;

(3) The Company has not diverted a substantial part of its corpus or income for a purpose or purposes other than the purpose or purposes (a) for which it is organized or operated or (b) disclosed to the IRS in connection with the Determination;

(4) The Company has not operated during its five most recent fiscal years or the current fiscal year, as of the date hereof, in a manner that would result in it being classified as an “action” organization within the meaning of Section 1.501(c)(3)-(1)(c)(3) of the Regulations including, but not limited to, promoting or attempting to influence legislation by propaganda or otherwise as a substantial part of its activities;

(5) With the exception of the payment of compensation (and the payment or reimbursement of expenses) which is not excessive and is for personal services which are reasonable and necessary to carrying out the purposes of the Company, no individual who would be a “foundation manager” within the meaning of Section 4946(b) of the Code with respect to the Company, nor any Person controlled by any such individual or individuals or any of their Affiliates, nor any Person having a personal or private interest in the activities of the Company has acquired or received, directly or indirectly, any income or assets, regardless of form, of the Company during the current Fiscal Year and the five Fiscal Years preceding the current Fiscal Year, other than as reported to the IRS by the Company;

(6) The Company is not a “private foundation” within the meaning of Section 509(a) of the Code;

(7) The Company has not received any indication or notice whatsoever to the effect that its exemption under Section 501(a) of the Code by virtue of being an organization described under Section 501(c)(3) of the Code has been revoked or modified, or that the IRS is considering revoking or modifying such exemption, and such exemption is still in full force and effect;

(8) The Company has timely filed with the IRS all requests for determination, reports and returns required to be filed by it and such requests for determination, reports and returns have not omitted or misstated any material fact, and the Company has timely notified the IRS of any changes in its organization and operation since the date of the application for the Determination;

(9) The Company has not devoted more than an insubstantial part of its activities in furtherance of a purpose other than an exempt purpose within the meaning of Section 501(c)(3) of the Code;

(10) The Company has not taken any action, nor does it know of any action that any other Person has taken, nor does it know of the existence of any condition that would cause the Company to lose its exemption from taxation under Section 501(a) of the Code or cause interest on the Bonds to be includable in the income of the recipients thereof for federal income tax purposes;

(11) All of the documents, instruments and written information supplied by or on behalf of the Company, which have been reasonably relied upon by Bond Counsel in rendering its opinion with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes or Bond Counsel in rendering an opinion with respect to the status of the Company under Section 501(c)(3) of the Code, are true and correct in all material respects, do not contain any untrue statement of a material fact and do not omit to state any material fact necessary to be stated therein to make the information provided therein, in light of the circumstances under which such information was provided, not misleading.

(j) Indenture. The Indenture has been submitted to the Company for its examination, and the Company acknowledges, by execution of this Agreement, that it has reviewed the Indenture and that it accepts each of its obligations expressed or implied thereunder.

(k) Security Interests. The Company has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the collateral granted hereunder and described in Section 4.3 that ranks on a parity with or prior to the lien granted hereunder that will remain outstanding on the Closing Date. The Company has not described the collateral in a UCC financing statement that will remain effective on the Closing Date. The Company will not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the collateral that ranks prior to or on a parity with the lien granted hereunder, or file any financing statement describing any such pledge assignment, lien or security interest, except as expressly permitted by the Bond Documents.

(l) Other Representations and Warranties. Any certificate with respect to factual or financial matters signed by an officer of the Company and delivered to the Issuer or the Trustee shall be deemed a representation and warranty by the Company as to the statements made therein.

Each of the foregoing representations and warranties shall be deemed to have been made as of the date of this Agreement and again as of the Closing Date.

ARTICLE III

THE PROJECT

Section 3.1 Acquisition and Construction of the Project.

(a) The Company agrees to utilize the amounts in the Project Fund to pay Project Costs and to complete the acquisition, construction, reconstruction, improvement, expansion or operation, as the case may be, of the Project and to place in service and operate the Project as an educational facility as defined in the Act in furtherance of the public purposes of the Act.

(b) The Plans and Specifications for the Project shall be approved prior to the commencement of construction of that part of the Project, by a duly authorized officer of the Company. The Company may make insubstantial changes in, additions to, or deletions from the Plans and Specifications and may make substantial changes in, additions to, or deletions from the Plans and Specifications only if the Project shall continue to constitute facilities of the type which may be financed or refinanced by the Issuer under the Act and any required approvals of such changes, additions, or deletions have been obtained from any governmental bodies or agencies having jurisdiction; provided, however, that no changes to the Plans and Specifications, or any change orders to the construction contract for the Project, shall be made if such changes shall cause the total remaining unpaid costs of the Project to exceed the amounts on deposit in the Project Account of the Project Fund, unless the Company shall deposit additional required amounts therein.

Section 3.2 Disbursements of Bond Proceeds.

(a) Disbursements from Project Account of the Project Fund. Pursuant to the provisions of the Indenture, there shall be deposited into the Project Account of the Project Fund a portion of the proceeds received from the sale of the Bonds. Subject to Section 404 of the Indenture, the Trustee is authorized and directed to make payments to the Company, or at the direction of the Company, from the Project Account of the Project Fund, as requested by the Company for the Company to pay third parties for amounts due and owing to such third parties with respect to any Project Costs and to reimburse the Company for any Project Costs paid directly by the Company upon receipt of and in accordance with, (1) on the Closing Date, the Closing Memorandum dated the Closing Date prepared in connection with the closing of the Series 2026 Bonds and executed by an Authorized Representative of the Company, and (2) after the Closing Date, a completed Requisition Certificate substantially in the form attached as Exhibit B to the Indenture. The Company shall retain copies of all Project Cost Requisition Certificates, as defined in the Indenture, until the date that is six years from the first date on which no Bonds are Outstanding.

(b) Disbursements from the Costs of Issuance Account of the Project Fund. Subject to Section 404 of the Indenture, the Trustee is authorized and directed to disburse funds for the Costs of Issuance of the Bonds upon receipt of and in accordance with, (1) on the Closing Date, the Closing Memorandum dated the Closing Date prepared in connection with the closing of the Series 2026 Bonds and executed by an Authorized Representative of the Company, and (2) after the Closing Date, a completed Requisition Certificate. The Company shall retain copies of all Requisition Certificates until the date that is six years from the first date on which no Bonds are Outstanding. Ninety (90) days following the Closing Date, the Costs of Issuance Account for the Bonds shall be closed and any funds remaining therein shall be transferred to the Project Account of the Project Fund and made

available to pay any Project Costs relating to the Project for which such specific series of Bonds was issued.

(c) The Trustee may rely fully on any Requisition Certificate delivered pursuant to this Section 3.2 and shall not be required to make any investigation in connection therewith.

Section 3.3 Completion of Project if Bond Proceeds Insufficient. The Company agrees to pay all Project Costs which are not, or cannot be, paid or reimbursed from the proceeds of the Bonds. The Company agrees that if, after exhaustion of the moneys in the Project Fund established pursuant to the Indenture, the Company should pay any portion of the Project Costs, it shall not be entitled to any reimbursement therefor from the Issuer, the Trustee or from any Bondholder, nor shall it be entitled, as a consequence of such unreimbursed payment, to any abatement, postponement or diminution of the amounts payable under this Agreement.

Section 3.4 Completion. Upon completion of the Project, but not later than the end of the fifth Bond Year, the Company shall deliver to the Trustee a Completion Certificate in the form of EXHIBIT B hereto.

Section 3.5 Modification of the Project. The Project may be altered or added to by the Company; provided, however, that the Company shall make no revision to the Project that results in the Project ceasing to (i) constitute educational facilities, as defined in the Act, or (ii) be substantially similar to the Project as approved by the Issuer; provided, further, that no material revision to the Project may be made unless the Company has delivered a Favorable Opinion of Bond Counsel to the Trustee.

Section 3.6 Casualty and Condemnation. (a) In the event of any damage, destruction, condemnation or taking under the threat of condemnation with respect to the Project, the Company shall promptly engage the services of the Construction Consultant, which shall make a determination as to the amount of insurance or condemnation proceeds anticipated to result therefrom within fifteen (15) days of the occurrence of such damage, destruction, condemnation or taking.

(b) If the insurance or condemnation proceeds (excluding proceeds of business interruption insurance) of any damage, destruction, condemnation or taking under the threat of condemnation with respect to the Project as determined by the Construction Consultant pursuant to paragraph (a) above are equal to or less than \$50,000, such proceeds shall be transferred to the Trustee for deposit in the Insurance Proceeds Account of the Project Fund and shall be applied to repair, restore, modify, improve or replace the Project. The Trustee is hereby directed to make payments from the Insurance Proceeds Account of the Project Fund for such purposes or to reimburse the Company for costs paid by it in connection therewith upon receipt of a Requisition Certificate signed by an Authorized Representative of the Company and approved by the Construction Consultant in substantially the same form as Exhibit B to the Indenture. Any balance of the insurance or condemnation proceeds remaining after the Project has been repaired, restored or replaced to a state substantially like that prior to the event of damage, destruction or taking, as determined by the Construction Consultant, shall, upon delivery to the Trustee of a certificate executed by the Construction Consultant to such effect, be deposited to the Debt Service Fund and applied to the redemption of the Bonds or other Related Bonds issued to finance the repaired, restored or replaced Project at the earliest practical date.

(c) If the insurance or condemnation proceeds of any damage, destruction, condemnation or taking under the threat of condemnation with respect to the Project as determined by the Construction Consultant pursuant to paragraph (a) above are greater than \$50,000, such insurance or condemnation proceeds shall be transferred to the Trustee for deposit into the Insurance Proceeds Account of the Project Fund, and:

(1) The Company shall immediately request that the Construction Consultant prepare a report to determine (A) if the repair, reconstruction, restoration or replacement of the Project or a portion thereof damaged or taken is economically feasible and will restore the Project to the physical and operating condition as existed before and (B) if the Company will have sufficient funds from the insurance proceeds, business interruption insurance proceeds and other available funds to make the payments required hereunder when due, to pay the cost of repairing, reconstructing, restoring or replacing the portion of the Project affected by such loss, damage or condemnation (including without limitation architects' and attorneys' fees and expenses), to pay the Company's operating costs until completion of the repair, construction or replacement of such portion of the Project which report shall be delivered to the Trustee and any holder owning at least ten percent (10%) in aggregate principal amount of any series of Outstanding Bonds, within thirty (30) days of the occurrence of such damage, destruction, condemnation or taking. If the report determines the foregoing conditions are satisfied, then within thirty (30) days after delivery thereof, the Company shall deliver to the Trustee:

(A) cash in an amount equal to the funds, if any, in excess of insurance proceeds and business interruption insurance proceeds required by the report delivered under clause (1) above for deposit in a special separate account of the Project Fund; and

(B) such other documents and information as the holders of a majority in aggregate principal amount of the Outstanding Bonds may reasonably require; and the Company shall promptly proceed to repair, reconstruct and replace the affected portion of the Project, including all fixtures, furniture and equipment and effects, to its original condition to the extent possible. Each request for payment shall comply with the requirements of the Indenture in Section 404 for payments from the Project Fund.

(2) If the Construction Consultant's report does not determine that the conditions are satisfied or fails to meet the requirements relating to repair or reconstruction or replacement in clause (1) above, the Company shall prepay the Loan and the Bonds shall be redeemed as set forth in paragraph (e) below.

(d) Under the circumstances set forth in subsection (c)(1) hereof, if the insurance or condemnation proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement undertaken pursuant to this Section, the Company will nonetheless complete the work and will pay any cost in excess of the amount of the insurance or condemnation proceeds held by the Trustee. The Company agrees that if by reason of any such insufficiency of the insurance or condemnation proceeds, the Company shall make any payments pursuant to the provisions of this Section, the Company shall not be entitled to any reimbursement therefor from the Trustee or any Bondholder, nor shall the Company be entitled to any diminution of the amount payable hereunder.

(e) Under the circumstances set forth in subsection (c)(2) hereof, the Loan shall be paid and the Bonds redeemed in full as provided in and pursuant to the Indenture and the insurance proceeds shall be transferred by the Trustee from the applicable account in the Project Fund to the applicable account in the Debt Service Fund for such purpose. If the insurance proceeds are insufficient to redeem the Bonds in full, the Company shall provide to the Trustee for deposit into the Debt Service Fund moneys which, together with the insurance proceeds, will be sufficient to redeem all of the Bonds pursuant to the Extraordinary Optional Redemption provisions of the Bonds. In the event that the Company has completed any repair, reconstruction or replacement of the Project after the occurrence of any damage, destruction or condemnation and there are excess insurance proceeds, such excess shall be deposited in the Debt Service Fund and applied to the redemption of all or a portion of the Bonds pursuant to the Extraordinary Optional Redemption provision of the Bonds.

Section 3.7 Inspection of the Project. The Company agrees that the Issuer and its duly authorized agents, including the Trustee, may, but have no obligation to at reasonable times as determined by the Company, enter upon the Project site and examine and inspect the Project and, upon the occurrence of an Event of Default, the books and records of the Company that relate to the Project.

Section 3.8 Maintenance and Operation. The Company undertakes to cause each item of its buildings and other facilities, including the Project, to be maintained and operated so long as the operation of each such item, in the sole judgment of the Company, is economical, lawful, and feasible and in accordance with good operating practice. The Company agrees that during the term of this Agreement it will pay all costs of operating, maintaining, and repairing its buildings and other facilities, including the Project, and that the Issuer shall have no responsibility or liability whatsoever for operating, maintaining, or repairing its buildings and other facilities, including the Project. The Company agrees that it shall not enter into a contract for the management of the Project by a third party service provider unless it receives a Favorable Opinion of Bond Counsel.

Section 3.9 No Establishment and No Impairment of Religion. The Company and the Issuer intend that the Loan and all other transactions provided for in this Agreement be made in strict compliance with all applicable laws and constitutional provisions of the United States and the State. Accordingly, the Company agrees that to the full extent required from time to time by applicable laws and constitutional provisions of the United States and the State in order for the Loan to the Company and all other transactions provided for in this Agreement to be made and effected in compliance with such laws and constitutional provisions: (a) no part of the Project financed or refinanced in whole or in part with proceeds of the Bonds shall be used in a manner that violates State or federal law; (b) notwithstanding the payment in full of the Loan Payments and the Bonds, and notwithstanding the termination of this Agreement, each such part of the Project will continue to be subject to the restrictions set out in clause (a) of this Section for so long as it is owned by the Company, or any voluntary grantee of the Company, provided the continuance of such restriction is necessary to preserve the exemption from federal income taxation of interest on the Bonds under the Code; provided, however, that to any extent that a restriction or agreement set out in this Section shall at any time not be required in order for the Loan and all other transactions provided for in this Agreement to be made and effected in compliance with applicable constitutional provisions of the United States and the State, such restriction or agreement shall, to that extent and without necessary action by any party, be without any force or effect; and provided further, that in no event shall such

restriction or agreement set out in this Section be more expansive than required by an applicable constitutional provision.

Section 3.10 Issuer Relieved From Responsibility With Respect to Project. The Company and the Issuer hereby expressly acknowledge and agree that the Issuer is under no responsibility to insure, maintain, operate or repair the Project or to pay taxes with respect thereto, and the Company expressly relieves the Issuer from any such responsibility.

Section 3.11 Force Majeure. If by reason of Force Majeure the Company shall be rendered unable wholly or in part to carry out its obligations under this Article (other than its obligations to pay money contained in this Agreement), and if the Company gives notice and full particulars of such Force Majeure in writing to the Issuer and to the Trustee within a reasonable time after failure to carry out such obligations, then the obligations of the Company under this Article, so far as they are affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, including a reasonable time for removal of the effect thereof. The requirement that any Force Majeure shall be reasonably beyond the control of the Company shall be deemed to be fulfilled even though any existing or impending strike, lockout or other industrial disturbance may not be settled but could have been settled by acceding to the demand of the opposing Person. The occurrence of any Force Majeure shall not suspend or otherwise abate, and the Company shall not be relieved from, the obligation to pay the Bonds and to pay any other payments required to be made by it under this Agreement at the times required. For purposes of this Section, "Force Majeure" means acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, acts or orders of any kind of the government of the United States of America, or of any state or locality thereof, or any civil or military authority, terrorist acts, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, floods, washouts, droughts, arrests, restraining of government and people, civil disturbances, explosions, nuclear accidents, wars, breakage or accidents to machinery, transmission pipes or canals, partial or entire failure of utilities, shortages of labor, material, supplies or transportation, or any other cause not reasonably within the control of the party claiming such inability.

Section 3.12 Insurance. So long as the Bonds remain Outstanding, the Company shall at all times keep and maintain the insurance required by Section 213 of the Master Indenture.

Section 3.13 Disposition of Project. Subject to any restrictions in the Bond Documents, the Company covenants that the Project will not be sold or otherwise disposed of in a transaction resulting in the receipt by the Company of cash or other compensation, unless the Company delivers a Favorable Opinion of Bond Counsel to the Issuer and the Trustee; provided that this provision shall not apply to any portion of the Property comprising personal property and disposed of in the ordinary course of business.

ARTICLE IV

PAYMENTS

Section 4.1 Loan Payments.

(a) To repay the Loan of the proceeds of the Bonds evidenced by the Series 2026 Note, the Company shall, subject to the limitations of Section 4.5 of this Agreement, make or cause to be

made Loan Payments in immediately available funds in accordance with the Indenture and this Agreement directly to the Trustee as follows:

(i) on or before the 25th day of each month, in equal monthly installments, for deposit in the Debt Service Fund, amounts sufficient to provide for the payment of interest which is due on the next ensuing date for payment of such interest with respect to the Bonds;

(ii) on or before the 25th day of each month, in equal monthly installments, for deposit in the Debt Service Fund, amounts sufficient to provide for the payment of the principal of or sinking fund payment on the Bonds which is next due for payment of such principal or for such sinking fund redemption payment; and

(iii) on or before the 25th day of each month, for deposit into the Debt Service Reserve Fund, such amounts as are required by Section 4.6 of this Agreement to restore the Reserve Fund Requirement.

(b) If, subsequent to a date on which the Company is not obligated to pay the Loan Payments (as a result of defeasance of the Bonds pursuant to Section 1002 of the Indenture), losses (net of gains) shall be incurred in respect of any investments, or any other event or circumstance has occurred causing the amounts in the Debt Service Fund, together with any other amounts then held by the Trustee and available for the purpose, to be less than the amount sufficient at the time of such occurrence or other event or circumstance to pay, in accordance with the provisions of the Indenture, all principal of (premium, if any) and interest on the Bonds due and payable or to become due and payable, the Trustee shall notify the Company of such fact and thereafter the Company, as and when required for purposes of such Debt Service Fund, but subject to the limitations of Section 4.5 of this Agreement, shall pay to the Trustee for deposit in the Debt Service Fund the amount of any such deficiency below such sufficient amount.

Section 4.2 Prepayment of Loan; Redemption of Bonds. The Company may at any time deliver money or Defeasance Obligations to the Trustee with instructions to the Trustee to hold such money or Defeasance Obligations pursuant to the Indenture in connection with a deemed payment or redemption of Bonds. The Issuer agrees that, at the request at any time of the Company, it will notify the Trustee, exercise its rights and otherwise cooperate with the Company to cause the Bonds or any portion thereof to be redeemed to the extent required or permitted by the Indenture. Except to the extent of any such deemed payment or any redemption of the Bonds in whole or in part, neither the Loan made hereunder nor the Series 2026 Note shall be prepayable. Any excess or unclaimed money held by the Trustee under the Indenture shall be paid by the Trustee to the Company in accordance with Article IV or Article X of the Indenture, as applicable.

Section 4.3 Security Interests.

(a) As security for repayment of the Series 2026 Note and performance of the Company's obligations under this Agreement, the Company hereby pledges, sets over, assigns and grants a security interest to the Issuer in all of the Company's right, title and interest in and to all amounts at any time deposited in the funds established pursuant to the Indenture (except the Rebate Fund), including all investments and reinvestments made with such amounts and the proceeds thereof, and in all of its rights to and interests in such amounts, investments, reinvestments and proceeds. The Company hereby authorizes and directs the Trustee to invest and disburse such amounts and proceeds

in accordance with the Indenture and this Agreement. The Company represents that, under the laws of the State, (i) this Agreement creates a valid and binding lien in favor of the Issuer as security for the payment of the Series 2026 Note, enforceable in accordance with the terms hereof; and (ii) the lien on the collateral granted hereunder, is and shall be prior to any judicial lien hereafter imposed on such collateral to enforce a judgment against the Company on a simple contract. The Company hereby authorizes the Issuer and the Trustee to file any financing statements or continuation statements necessary to maintain the perfection of the security interest granted hereby.

(b) The Company will (i) upon the execution and delivery of the Bond Documents and thereafter, from time to time cause any Bond Document and each amendment and supplement thereto (or financing statements or a memorandum with respect thereto or to such amendment or supplement) to be filed, registered and recorded and to be refiled, reregistered and rerecorded in such manner and in such places as may be required in order to publish notice of and fully to protect the liens, or to perfect or continue the perfection of the security interests, created thereby and (ii) perform or cause to be performed from time to time any other act as required by law, and execute or cause to be executed any and all instruments of further assurance that may be necessary for such publication, perfection, continuation and protection, including without limitation the execution of any deposit account control agreement and the delivery of legal opinions as to the perfection of any such security interests. The Company will not change or relocate its place of business (or its chief executive office if it has more than one place of business) unless it has taken all actions, and made all filings necessary to continue the effectiveness and perfection of all security interests created by the Bond Documents to which it is a party. The Trustee shall either (i) file continuation statements of such originally filed financing statements that have named the Trustee as a secured party as may be required to maintain the perfection and priority of the security interests granted hereby and by the Bond Documents, or (ii) request the Company confirm in writing to the Trustee, on an annual basis, the filing of continuation statements by the Company required to maintain the perfection and priority of the security interests granted hereby and by the Bond Documents.

(c) Under the Indenture, the Issuer is, as security for the Bonds, pledging, assigning, transferring and granting a security interest in certain of its rights, title and interest under this Agreement to the Trustee. The Company agrees that this Agreement, and all of the rights, interests, powers, privileges and benefits accruing to or vested in the Issuer shall be protected and enforced in conformity with the Indenture and (except for the Issuer's Unassigned Rights) are being assigned by the Issuer to the Trustee as security for the Bonds and may be exercised, protected and enforced solely by the Trustee for or on behalf of the Bondholders in conformity with this Agreement and the Indenture. The Trustee is hereby given the exclusive right to enforce, as assignee of the Issuer, the performance of the obligations of the Company, and the Company hereby consents to the same and agrees that the Trustee may enforce such rights as provided in this Agreement and in the Indenture. The Issuer and the Company recognize that the Trustee is a third party creditor-beneficiary of this Agreement. The Issuer hereby directs the Company to make all payments (other than payments relating to any money or rights not granted to the Trustee as part of the Trust Estate pursuant to the granting clauses in the Indenture) to the Trustee instead of to the Issuer and the Company hereby agrees to do so. All such payments shall be made in lawful money of the United States of America directly to the Trustee, as assigned by the Issuer, at the location specified by the Trustee, and shall be applied as provided in Section 4.1 of this Agreement. The Company and the Issuer further acknowledge that except for the obligation of the Trustee to credit amounts paid or recovered from this Agreement or the collateral therefor to the Issuer's debt evidenced by the Bonds and except for

certain rights not granted to the Trustee as part of the Trust Estate, the Issuer has no further interest in this Agreement and the Trustee shall have the exclusive right (subject to the provisions of the Indenture) to grant consents, extensions, forgiveness, and waivers, make amendments, release collateral and otherwise deal with the Company as the sole owner of this Agreement and the Trustee exclusively may start and prosecute suit hereon or otherwise take action to recover amounts owing under this Agreement without first obtaining the consent of the Issuer or without joining the Issuer as a plaintiff.

Section 4.4 Nature of Obligations of the Company. The Company agrees that its obligations to make payments hereunder shall be absolute and unconditional, irrespective of any rights of set-off, diminution, abatement, recoupment or counterclaim the Company might otherwise have against any Person, and except in connection with a discharge of the Indenture, the Company will perform and observe all its payment obligations and covenants, representations and warranties hereunder without suspension and will not terminate the Bond Documents to which it is a party for any cause, except to the extent explicitly permitted by the Master Indenture. The Company covenants not to seek and hereby waives, to the extent permitted by applicable law, the benefits of any rights which it may have at any time to any stay or extension of time for performance or to terminate, cancel or limit its liability under the Bond Documents to which it is a party except through payment or deemed payment of the Bonds as provided in such Bond Documents. The Bondholders shall be entitled to rely upon the agreements and covenants in this Section regardless of the validity or enforceability of the remainder of this Agreement or any other Bond Document or agreement.

The preceding paragraph shall not be construed to release the Issuer from the performance of any of its agreements contained in this Agreement, or except to the extent provided in this Section and Section 5.1, prevent or restrict the Company from asserting any rights which it may have against the Issuer, the Trustee or any other Person under this Agreement or any of the other Bond Documents to which it is a party or under any provision of law or prevent or restrict the Company, at its own cost and expense, from prosecuting or defending any action or proceeding against or by third parties or taking any other action to secure or protect its rights in connection with the acquisition, construction, improvement, possession and use of the Project and its rights under such Bond Documents.

Section 4.5 Limitation on Interest. Notwithstanding any provision of the Bond Documents to the contrary, it is hereby agreed that in no event shall the amount of interest (as defined and calculated in accordance with applicable law) contracted for, charged, reserved, received or taken in connection with any loan made hereunder exceed the amount of interest which could have been contracted for, charged, reserved, received or taken at the Highest Lawful Rate. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under the Bond Documents or otherwise contracted for, charged, reserved, received or taken in connection with any loan made hereunder, or if the Trustee's exercise of the right to accelerate the Maturity of any loan made hereunder or if any prepayment of any such loan by the Company results in there having been paid or received any interest in excess of that permitted by applicable law, then notwithstanding anything to the contrary contained in the Bond Documents, all excess amounts theretofore paid or received shall be credited on the principal balance of such loan (or, if such loan has been or would thereby be paid in full, refunded), and the provisions of this Agreement and the related Series 2026 Note shall immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of the execution of any new document, so as to comply with the

applicable law, but so as to permit the recovery of the fullest amount otherwise called for thereunder. All sums paid or agreed to be paid for the use, forbearance or detention of the indebtedness evidenced by any such loan shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the usury ceiling from time to time in effect and applicable to such indebtedness for so long as such indebtedness is outstanding (it being understood that the foregoing provisions permit the rate of interest on such loan to exceed the Highest Lawful Rate for any day as long as the total amount of interest paid on such loan from the date of initial delivery of the Bonds to the date of calculation does not exceed the amount of interest which would have been paid on such loan to the date of calculation if such loan had borne interest for such period at the Highest Lawful Rate).

Section 4.6 Debt Service Reserve Fund. In the event of any withdrawal from the Debt Service Reserve Fund pursuant to Section 406 of the Indenture, in order to cure any deficiency in the Debt Service Fund or in the event that the Trustee notifies the Company that the amount on deposit in the Debt Service Reserve Fund is less than the Reserve Fund Requirement, the Company shall pay, or cause to be paid, to the Trustee, (i) if the amount in the Debt Service Reserve Fund is less than the Reserve Fund Requirement because of any withdrawal from the Debt Service Reserve Fund pursuant to Section 406 of the Indenture in order to cure any deficiency in the Debt Service Fund, the amount needed to restore the amount in the Debt Service Reserve Fund to the Reserve Fund Requirement (A) in full within thirty (30) days from the date of the withdrawal from the Debt Service Fund or, at the option of the Company, (B) in no more than six (6) equal, consecutive, monthly installments, each payable on the date that a Loan Payment is due, commencing in the month immediately succeeding the month of the withdrawal or (ii) in the event that the Trustee notifies the Company that the amount on deposit in the Debt Service Reserve Fund is less than the Reserve Fund Requirement as a result of a valuation of the Debt Service Reserve Fund, the amount of such decline in Value for deposit into the Debt Service Reserve Fund within thirty (30) days of receipt of such notice pay to the Trustee the full amount needed to restore the amount in the Debt Service Reserve Fund to the Reserve Fund Requirement.

Section 4.7 Fees and Expenses.

(a) Issuer. The Company agrees to pay promptly upon demand therefor all fees and costs paid, incurred or charged by the Issuer in connection with the Bonds, including without limitation, (i) all out-of-pocket expenses and Costs of Issuance (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the issuance of the Bonds and the administration of the Bond Documents, (ii) all payments required to be paid by the Issuer with respect to the Bonds, and (iii) out-of-pocket expenses (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the enforcement of any of its rights or remedies or the performance of its duties under the Bond Documents to which it is a party.

(b) Trustee and Paying Agent. The Company agrees to pay all costs paid, incurred or charged by the Trustee and the Paying Agent including, without limitation, (i) all fees and out-of-pocket expenses incurred with respect to services rendered under any of the Bond Documents (including reasonable fees and expenses of attorneys employed by the Paying Agent and the Trustee), (ii) all amounts payable to the Trustee and the Paying Agent pursuant to Section 807 of the Indenture, and (iii) all out-of-pocket expenses (including reasonable fees and expenses of attorneys employed

by the Paying Agent and the Trustee) incurred in connection with the enforcement of any rights or remedies or the performance of duties under the Bond Documents.

Section 4.8 Repair and Replacement Fund Deposits; Facilities Consultant.

(a) So long as the Bonds are Outstanding, the Company shall make or cause to be made payments for deposit to the Repair and Replacement Fund on or before the 25th of each month, in equal monthly installments, commencing March 25, 2026, equal to one-sixtieth (1/60) of the Repair and Replacement Fund Requirement, until the amount in such fund is equal to the Repair and Replacement Fund Requirement.

(b) No later than March 1, 2031, and each fifth anniversary thereafter, the Company will engage a Facilities Consultant who will, within 60 days of engagement, provide to the Borrower (copies of which will be provided to the Trustee) a Facilities Consultant Report that includes recommendations as to any required change in the Repair and Replacement Fund Requirement to provide for the proper maintenance and upkeep of the Project. Within fourteen Business Days of its receipt of the Facilities Consultant Report, the Borrower will either (i) accept the recommendations of the initial Facilities Consultant and notify the Trustee in writing of the revised Repair and Replacement Fund Requirement, if applicable or (ii) engage and immediately accept the recommendations (which will be made within 60 days of such engagement) of a different Facilities Consultant in the event the recommendations outlined in the initial Facilities Consultant Report are deemed by the Borrower to be unreasonable or inconsistent with the Borrower's operation and maintenance practices and notify the Trustee in writing of the revised Repair and Replacement Fund Requirement, if applicable.

ARTICLE V

COVENANTS OF THE COMPANY

Section 5.1 Indemnification.

(a) Agreements to Indemnify. THE COMPANY AGREES THAT IT WILL AT ALL TIMES INDEMNIFY AND HOLD HARMLESS EACH OF THE INDEMNIFIED PARTIES AGAINST ANY AND ALL LOSSES OTHER THAN LOSSES RESULTING FROM FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING INDEMNIFICATION. IT IS THE EXPRESS INTENTION AND AGREEMENT OF THE PARTIES THAT THE COMPANY WILL INDEMNIFY THE INDEMNIFIED PARTIES AGAINST LOSSES WHICH ARISE FROM THE NEGLIGENCE OF ANY INDEMNIFIED PARTY.

(b) Release. NONE OF THE INDEMNIFIED PARTIES SHALL BE LIABLE TO THE COMPANY FOR, AND THE COMPANY HEREBY RELEASES EACH OF THEM FROM, ALL LIABILITY TO THE COMPANY FOR, ALL INJURIES, DAMAGES OR DESTRUCTION TO ALL OR ANY PART OF ANY PROPERTY OWNED OR CLAIMED BY THE COMPANY THAT DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO THE DESIGN, CONSTRUCTION, OPERATION, USE, OCCUPANCY, MAINTENANCE OR OWNERSHIP OF THE PROJECT OR ANY PART THEREOF, EVEN IF SUCH INJURIES, DAMAGES OR DESTRUCTION DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT

OF OR RELATE TO, IN WHOLE OR IN PART, ONE OR MORE ACTS OR OMISSIONS OF THE INDEMNIFIED PARTIES INCLUDING ACTS OR OMISSIONS CONSTITUTING NEGLIGENCE ON THE PART OF ANY INDEMNIFIED PARTY (OTHER THAN FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING RELEASE) IN CONNECTION WITH THE ISSUANCE OF THE BONDS OR IN CONNECTION WITH THE PROJECT.

(c) Subrogation. Each Indemnified Party, as appropriate, shall reimburse the Company for payments made by the Company pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by it from any other source (but not from the proceeds of any claim against any other Indemnified Party) with respect to any Loss to the extent necessary to prevent a multiple recovery by such Indemnified Party with respect to such Loss. At the request and expense of the Company, each Indemnified Party shall claim or prosecute any such rights of recovery from other sources (other than any claim against another Indemnified Party) and such Indemnified Party shall assign its rights to such rights of recovery from other sources (other than any claim against another Indemnified Party), to the extent of such required reimbursement, to the Company.

(d) Notice. In case any Claim shall be brought or, to the knowledge of any Indemnified Party, threatened against any Indemnified Party in respect of which indemnity may be sought against the Company, such Indemnified Party promptly shall notify the Company in writing; provided, however, that any failure so to notify shall not relieve the Company of its obligations under this Section.

(e) Defense. The Company shall have the right to assume the investigation and defense of all Claims, including the employment of counsel and the payment of all expenses. Each Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless (i) the employment of such counsel has been specifically authorized by the Company, in writing, (ii) the Company has failed after receipt of notice of such Claim to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnified Party and the Company, and the Indemnified Party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Company (in which case, if such Indemnified Party notifies the Company in writing that it elects to employ separate counsel at the Company's expense, the Company shall not have the right to assume the defense of the action on behalf of such Indemnified Party; provided, however, that the Company shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the Indemnified Parties, which firm shall be designated in writing by the Indemnified Parties).

(f) Cooperation; Settlement. Each Indemnified Party shall cooperate with the Company in the defense of any action or Claim. The Company shall not be liable for any settlement of any action or Claim without the Company's consent but, if any such action or Claim is settled with the consent of the Company or there be final judgment for the plaintiff in any such action or with respect to any such Claim, the Company shall indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment to the extent provided in Subsection (a).

(g) Survival; Right to Enforce. The provisions of this Section shall survive the termination of this Agreement, and the obligations of the Company hereunder shall apply to Losses or Claims under Subsection (a) whether asserted prior to or after the termination of this Agreement. In the event of failure by the Company to observe the covenants, conditions and agreements contained in this Section, any Indemnified Party may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Section. The obligations of the Company under this Section shall not be affected by any assignment or other transfer by the Issuer of its rights, titles or interests under this Agreement to the Trustee pursuant to the Indenture and will continue to inure to the benefit of the Indemnified Parties after any such transfer. The provisions of this Section shall be cumulative with and in addition to any other agreement by the Company to indemnify any Indemnified Party.

(h) Trustee. The Company also agrees to indemnify the Trustee, the Master Trustee and any of their officers, directors, employees, attorneys, agents, affiliates (including without limitation, the Trustee as Paying Agent and Bond Registrar under the Indenture) or successors (collectively, the “**Indemnitees**”), for, and to defend and hold them harmless against, any Losses that may be imposed on, incurred by or asserted against any Indemnatee in respect of (i) any loss, or damage to any property, or injury to or death of any person, asserted by or on behalf of any Person arising out of, resulting from, or in any way connected with the Project, or the conditions, occupancy, use, possession, conduct or management of, or any work done in or about the Project or from the planning, design, acquisition or construction of any Project facilities or any part thereof, (ii) the issuance of the Bonds or the Issuer’s authority therefor; (iii) the Indenture and the other Bond Documents, and any instrument related to any of the foregoing, (iv) the Trustee’s execution, delivery and performance of the Indenture, except to the extent such Indemnatee’s willful misconduct was the direct cause of the Loss, as determined in a final judgment on a non-appealable basis by a court of competent jurisdiction, and (v) compliance with or attempted compliance with or reliance on any instruction or other direction upon which the Trustee may rely under the Indenture or any instrument related thereto. The Company further agrees to indemnify the Indemnitees against any Losses as a result of (1) any untrue statement or alleged untrue statement of any material fact or the omission or alleged omission to state a material fact necessary to make the statements made not misleading in any statement, information or material furnished by the Company to the Issuer or the Trustee, including, but not limited to any disclosure utilized in connection with the sale of the Bonds or (2) the inaccuracy of the statement contained in any section of any Bond Document relating to environmental representations and warranties. The foregoing indemnification shall include, without limitation, indemnification for any statement or information concerning the Company or its officer and members or its property contained in any official statement or other offering document furnished to the Trustee or the purchaser of any Bonds that is untrue or incorrect in any material respect, and any omission from such official statement or other offering document of any statement or information which should be contained therein for the purpose for which the same is to be used or which is necessary to make the statements therein concerning the Company, its officers and members and its property not misleading in any material respect. The foregoing is in addition to any other rights, including rights to indemnification, to which the Trustee may otherwise be entitled hereunder or under any of the other Bond Documents. The rights of any of the Indemnitees to indemnity hereunder and rights to payment of fees and reimbursement of expenses shall remain valid and in effect and shall survive the final payment, redemption or defeasance of the Bonds, repayment of the Loan or payment or termination of this Agreement or the Indenture, and in the case of the Trustee,

any resignation or removal of the Trustee, and in the case of the Master Trustee, any resignation or removal of the Master Trustee.

Section 5.2 Removal of Liens. If any lien, encumbrance or charge of any kind based on any claim of any kind (including, without limitation, any claim for income, franchise or other taxes, whether federal, state or otherwise) shall be asserted or filed against the Trust Estate, or any Loan Payment paid or payable by the Company under or pursuant to this Agreement, or any order (whether or not valid) of any court shall be entered with respect to the Trust Estate, or any such Loan Payment by virtue of any claim of any kind, in any case so as to:

(a) interfere with the due payment of such amount to the Trustee or the due application of such amount by the Trustee or any Paying Agent pursuant to the applicable provisions of the Indenture,

(b) subject the Bondholders to any obligation to refund any money applied to payment of principal (premium, if any) and interest on any Bond, or

(c) result in the refusal of the Trustee or any Paying Agent to make such due application because of its reasonable determination that liability might be incurred if such due application were to be made,

then the Company will promptly take such action (including, but not limited to, the payment of money) as may be necessary to prevent, or to nullify the cause or result of, such interference, obligation or refusal, as the case may be.

Section 5.3 Tax Covenants. The Company will not, through any act or omission, adversely affect the exclusion from gross income of interest paid or payable on the Series 2026 Bonds for federal income tax purposes, and, in the event of such action or omission, it will use all reasonable efforts to cure the effect of such action or omission. Certain terms used in this Section are defined in Section 5.3(r). With the intent not to limit the generality of the foregoing, the Company covenants and agrees that prior to the final Maturity of the Series 2026 Bonds, unless it has received and filed with the Issuer and the Trustee a Favorable Opinion of Bond Counsel:

(a) Maintenance of Exempt Status. The Company will (i) conduct its operations in a manner that will result in its continued qualification as an organization described in Section 501(c)(3) of the Code as represented in Section 2.2(i)(A) through 2.2(i)(K) of this Agreement, and (ii) timely file or cause to be filed all materials, returns, reports and other documents which are required to be filed with the IRS.

(b) Diversion of Funds for Unrelated Purposes. The Company will not divert any substantial part of its corpus or income for a purpose or purposes other than those for which it is organized and operated as represented in Section 2.2(i)(A) through 2.2(i)(J) of this Agreement.

(c) Notification of the Internal Revenue Service. The Company will timely notify the IRS of any changes in its organizational documents or method of operations to the extent that the IRS does not already have knowledge of any such changes.

(d) Ownership of Project. All of the property financed or refinanced with the Net Proceeds of the Series 2026 Bonds will, at all times prior to final Maturity of the Series 2026 Bonds or prior to the expiration of the useful life of such property, be owned for federal income tax purposes by the Company or by another Exempt Person.

(e) Use of Net Proceeds. The Company will not use or permit to be used, directly or indirectly, in any trade or business carried on by any Person who is not an Exempt Person, more than the lesser of (i) five (5) percent of the Net Proceeds of the Series 2026 Bonds or (ii) \$15,000,000. For purposes of the preceding sentence, (w) use of Net Proceeds by an organization described in Section 501(c)(3) of the Code with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, does not constitute a use by an Exempt Person; (x) use of any property financed with the Net Proceeds of the Series 2026 Bonds constitutes use of such proceeds to the extent of the cost of such property financed with such Net Proceeds; (y) any use of the Net Proceeds of the Series 2026 Bonds in any manner contrary to the guidelines set forth in Revenue Procedure 2017-13 shall constitute the use of such proceeds in the trade or business of a Person who is not an Exempt Person; and (z) any use of the Net Proceeds to pay Costs of Issuance shall constitute the use of such proceeds in the trade or business of a Person who is not an Exempt Person.

(f) Loans of Proceeds. The Company will not use or permit the use of any portion of the Sale Proceeds of the Series 2026 Bonds, directly or indirectly, to make or finance loans to persons who are not Exempt Persons. For purposes of the preceding sentence, (i) a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, does not constitute a loan to an Exempt Person and (ii) any transaction which constructively transfers ownership of property financed with Sale Proceeds of the Series 2026 Bonds for federal income tax purposes constitutes a loan of such Sale Proceeds.

(g) Limit on Nonhospital Bonds. The Company will expend at least 95 percent of the Net Proceeds of Series 2026 Bonds for Capital Expenditures incurred after August 5, 1997. Accordingly, the Series 2026 Bonds are not subject to the \$150,000,000 limit on nonhospital bonds imposed by section 145(b) of the Code.

(h) Project Useful Life. Taking into account the Issue Price (as defined in Section 5.3(r) of this Agreement) of the Series 2026 Bonds, the weighted average maturity of the Series 2026 Bonds will not exceed 120 percent of the average reasonably expected economic life of the Project to be financed or refinanced by the Series 2026 Bonds, weighted in proportion to the respective cost of each item comprising the property the cost of which has been or will be financed, directly or indirectly, with the Net Proceeds (as defined in Section 5.3(r) of this Agreement) of the Series 2026 Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (A) the Closing Date for the Series 2026 Bonds or (B) the date on which such property is placed in service (or expected to be placed in service). In addition, land shall not be taken into account in determining the reasonably expected economic life of property, except that, in the event 25 percent or more of the collective Net Proceeds of the Series 2026 Bonds, directly or indirectly, have been expended for land, such land shall be treated as having an economic life of 30 years and shall be taken into account for purposes of determining the reasonably expected economic life of such property.

(i) Prohibited Facilities. None of the Proceeds of the Series 2026 Bonds will be used to provide any airplane, sky-box or other private luxury box, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(j) Public Approval. The Company covenants and agrees that the Proceeds of the Series 2026 Bonds will not be used in a manner that deviates other than in an insubstantial degree from the Project described in the written notices of public hearing regarding the Series 2026 Bonds (i) posted by the Issuer on the Issuer's website, in the area of the website where notices of the Issuer's public meetings are posted, on December 12, 2025, and continuously thereafter until the public hearing on January 2, 2026 at 9:00 a.m., Central Time, and (ii) published in the *Fort Bend Independent*, a newspaper of general circulation in Sugar Land, Fort Bend County, Texas, on December 17, 2025.

(k) Limit on Costs of Issuance. The Sale Proceeds of the Series 2026 Bonds will be expended for the purposes set forth in this Agreement and in the Indenture and no portion thereof in excess of two (2) percent of the Sale Proceeds of the Series 2026 Bonds, within the meaning of Section 147(g) of the Code, will be expended to pay Costs of Issuance with respect to the Series 2026 Bonds.

(l) No Arbitrage. The Company will not use or invest the Proceeds of the Series 2026 Bonds such that the Series 2026 Bonds become "arbitrage bonds" within the meaning of Section 148 of the Code, and as evidence of this intent, a representative of the Company has reviewed the Issuer's Federal Tax Certificate prepared in connection with the Series 2026 Bonds and the Company understands, and will take (or request the Trustee or the Issuer to take), the actions described therein.

(m) Yield on Investment of Gross Proceeds. The Company will restrict the cumulative, blended Yield on the investment of the Gross Proceeds of the Series 2026 Bonds, to the Yield of such issue, other than amounts (i) not subject to yield restriction due to any applicable temporary period under Section 148(c) of the Code, or as a result of being on deposit in a Reasonably Required Reserve or Replacement Fund, the Rebate Fund, a bona fide debt service fund (including the Debt Service Fund), or as a minor portion, or (ii) invested at a restricted yield by virtue of being invested in obligations described in Section 103(a) of the Code that are not "specified private activity bonds" within the meaning of Section 57(a)(5) of the Code to the extent required by the Code or the Regulations.

(n) Rebate. The Company agrees to take all steps necessary to compute and pay any Rebate Amount in accordance with Section 148(f) of the Code, including:

(i) Delivery of Documents and Money on Computation Dates. The Company shall deliver to the Trustee, within 45 days after each Computation Date for the Series 2026 Bonds,

(A) a statement, signed by an officer of the Company, stating the Rebate Amount as of such Computation Date (each, a "Rebate Report"); and

(B) (1) if such Computation Date is an Installment Computation Date, an amount which, together with any amount then held for the credit of the Rebate Fund, is equal to at least 90 percent (90%) of the Rebate Amount in respect of the Series 2026 Bonds

as of such Installment Computation Date, less any prior payments of Rebate Amount made to the United States in respect of the Series 2026 Bonds, or (2) if such Computation Date is the Final Computation Date, an amount which, together with any amount then held for the credit of the Rebate Fund in respect of the Series 2026 Bonds, is equal to the Rebate Amount as of such Final Computation Date, less any prior payments of Rebate Amount made to the United States in respect of the Series 2026 Bonds; and

(C) an IRS Form 8038-T completed as of such Computation Date.

(ii) Correction of Underpayment. If the Company shall discover or be notified as of any date that any payment paid to the United States Treasury pursuant to the Indenture of an amount described in Section 5.3(n) above shall have failed to satisfy any requirement of Section 1.148-3 of the Regulations (whether or not such failure shall be due to any default by the Company, the Issuer, or the Trustee), the Company shall (1) pay to the Trustee (for deposit to the Rebate Fund) and cause the Trustee to pay to the United States Treasury from the Rebate Fund the Rebate Amount, together with any penalty and/or interest due, as specified in Section 1.148-3(h) of the Regulations, within 175 days after any discovery or notice and (2) deliver to the Trustee an IRS Form 8038-T completed as of such date. If such Rebate Amount, together with any penalty and/or interest due, is not paid to the United States Treasury in the amount and manner and by the time specified in the Regulations the Company shall take such steps as are necessary to prevent the Series 2026 Bonds from becoming arbitrage bonds, within the meaning of Section 148 of the Code. Additionally, the Company agrees that if at any point the Rebate Fund incurs losses from investment, the Company will repay amounts equaling such losses into the Rebate Fund.

(iii) Records. The Company shall retain all of its accounting records relating to the Debt Service Fund, the Project Fund, the Debt Service Reserve Fund, the Rebate Fund and the investment and expenditure of the Proceeds of the Series 2026 Bonds and all calculations made in preparing the statements described in this Section 5.3(n) for at least six years after the later of the final Maturity of the Series 2026 Bonds or the first date on which no Series 2026 Bonds are Outstanding.

(iv) Fees and Expenses. The Company agrees to pay all of the fees and expenses of Bond Counsel, a certified public accountant and any other necessary consultant employed by the Company, the Trustee or the Issuer in connection with computing the Rebate Amount.

(v) No Diversion of Rebate Amount. The Company will not indirectly pay any amount otherwise payable to the United States Treasury pursuant to the foregoing requirements to any Person other than the United States Treasury by entering into any investment arrangement with respect to the Gross Proceeds of the Series 2026 Bonds that is not purchased at fair market value or includes terms that the Company would not have included if the Series 2026 Bonds were not subject to Section 148(f) of the Code.

(vi) Modification of Requirements. If, at any time during the term of this Agreement, the Issuer, the Trustee, or the Company desires to take any action that would otherwise be prohibited by the terms of this Section, such Person shall be permitted to take such action if it shall first obtain and provide to the other Persons named herein a Favorable

Opinion of Bond Counsel. The Company will hire a Rebate Analyst to perform the calculations required in this Section 5.3(n); provided, however, this shall not absolve the Company of any of the covenants of this Section 5.3(n).

(o) “Federally Guaranteed” Obligations. The Company will not cause or permit the Series 2026 Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code.

(p) Information Reporting Requirements. The Company will cause the Issuer to comply with the information reporting requirements of Section 149(e)(2) of the Code requiring certain information regarding the Series 2026 Bonds to be filed with the IRS within prescribed time limits.

(q) Bonds are Not Hedge Bonds. The Company covenants and agrees that not more than 50 percent of the Proceeds of the Series 2026 Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the Company reasonably expects that at least 85 percent of the spendable proceeds of the Series 2026 Bonds will be used to carry out the governmental purposes of the Series 2026 Bonds within the three-year period beginning on the Closing Date.

(r) Definitions. The following terms have the meanings assigned to them below whenever they are used in this Agreement:

“Bond Year” means, with respect to the Series 2026 Bonds, each one-year period (or shorter period from the Closing Date) that ends at the close of business on the day selected by the Company. The first and last Bond Years may be short periods. If no day is selected by the Company before the earlier of the final Maturity of such issue of Series 2026 Bonds or the date that is five years after the Closing Date, Bond Years end on each anniversary of the Closing Date and on the date of final Maturity. Unless notified in writing to the contrary, the Trustee may conclusively presume that Bond Years end on each anniversary of the Closing Date and the date of final maturity.

“Computation Date” means each Installment Computation Date and the Final Computation Date.

“Costs of Issuance” means issuance costs with respect to the Series 2026 Bonds within the meaning of Section 147(g) of the Code.

“Exempt Person” means a state or local governmental unit or an organization exempt from federal income taxation under Section 501(a) of the Code by reason of being described in Section 501(c)(3) of the Code.

“Final Computation Date” means the final Maturity of the Series 2026 Bonds.

“Gross Proceeds” means any Proceeds and Replacement Proceeds of the Series 2026 Bonds.

“Installment Computation Date” means the last day of the fifth and each succeeding fifth Bond Year.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds.

“Investment Property” means (i) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code), (ii) any obligation, (iii) any annuity contract, (iv) any investment-type property, or (v) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

“Issue Price” means, with respect to the Series 2026 Bonds, “issue price” as defined in Sections 1273 and 1274 of the Code, unless otherwise provided in Sections 1.148-0 through 1.148-11 of the Regulations and, generally, is the aggregate initial offering price to the public (excluding bond houses, brokers and other intermediaries acting in the capacity of wholesalers or underwriters) at which a substantial number of each Maturity of the Series 2026 Bonds is sold.

“Net Proceeds” means, any Net Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Series 2026 Bonds.

“Net Sale Proceeds” means the Sale Proceeds less any Sale Proceeds deposited into a Reasonably Required Reserve or Replacement Fund.

“Nonpurpose Investments” means Investment Property acquired with the Gross Proceeds of the Series 2026 Bonds.

“Proceeds” means, any Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Series 2026 Bonds.

“Qualifying Costs” means the Project Costs (excluding the costs for funding a debt service reserve fund, if any), that will be used, directly or indirectly in any trade or business carried on by any Person who is an Exempt Person. For purposes of the preceding sentence, (i) use by an organization described in Section 501(c)(3) of the Code with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, does not constitute use by an Exempt Person, and (ii) any use in any manner contrary to the guidelines set forth in Revenue Procedures 97-13, 1997-1 C.B. 632 (as modified by Revenue Procedure 2001-39, 2001-2 C.B. 38) or the Regulations promulgated under Section 141 of the Code, shall constitute use by a Person who is not an Exempt Person.

“Reasonably Required Reserve or Replacement Fund” means any fund described in Section 148(d) of the Code provided that the amount thereof allocable to the Series 2026 Bonds invested at a Yield materially higher than the Yield on the Series 2026 Bonds does not exceed the least of (i) 10 percent of the stated principal amount of the Series 2026 Bonds; (ii) the maximum annual debt service on the Series 2026 Bonds; or (iii) 125 percent of the average annual debt service on the Series 2026 Bonds, within the meaning of Section 1.148-2(f)(2)(ii) of the Regulations; provided that, if the Series 2026 Bonds are sold with more than a de minimus amount of original issue discount or premium, the issue price will be used to measure the 10 percent limit.

“Rebate Amount” has the meaning ascribed in Section 1.148-3 of the Regulations and generally means the excess as of any date of the future value of all receipts on Nonpurpose

Investments over the future value of all payments on Nonpurpose Investments, all as determined in accordance with Section 1.148-3 of the Regulations.

“Rebate Analyst” means an independent certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution, experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code, selected, retained and compensated by the Company pursuant to this Section 5.3(r) to make the computations and give the directions required under Section 405 of the Indenture.

“Replacement Proceeds” has the meaning set forth in Section 1.148-1(c) of the Regulations.

“Sale Proceeds” means, any amounts actually or constructively received from the sale (or other disposition) of any Series 2026 Bond, including amounts used to pay underwriters’ discount or compensation and accrued interest other than pre-issuance accrued interest. Sale Proceeds also include, but are not limited to, certain amounts derived from the sale of a right that is associated with any Series 2026 Bond, as described in Section 1.148-4(b)(4) of the Regulations, and certain amounts received upon termination of certain hedges, as described in Section 1.148-4(h)(5) of the Regulations.

“Transferred Proceeds” means, with respect to the portion of the Series 2026 Bonds that is a refunding issue, proceeds that have ceased to be proceeds of a refunded issue and are transferred proceeds of the refunding issue by reason of section 1.148-9 of the Regulations.

“Yield” means yield as determined in accordance with Section 148(h) of the Code and the Regulations, and generally, is the yield which when used in computing the present worth of all payments of principal and interest to be paid on an obligation produces an amount equal to the Issue Price of such obligation.

To the extent that published rulings of the IRS, or amendments to the Code or the Regulations modify the covenants of the Company which are set forth in this Section 5.3 or which are necessary to preserve the excludability from gross income of interest on the Series 2026 Bonds for federal income tax purposes, the Company and the Issuer will comply with such modifications.

The Company acknowledges that, under the provisions of the Foreign Account Tax Compliance Act, the Trustee is obligated to withhold a percentage of the proceeds from any disbursement to a payee that has not delivered to the Trustee a tax identification number on a correctly completed IRS Form W-9. If requested by the Trustee, the Company shall provide the Trustee with a copy of any such completed Form W-9 form for the initial disbursement to any payee pursuant to any provision hereof.

Section 5.4 Notice of Default. The Company shall, promptly upon receiving notice thereof, notify the Issuer and the Trustee in writing upon the occurrence of an Event of Default or any event which with the giving of notice or the passage of time or both would constitute an Event of Default hereunder or under the Series 2026 Note, the Master Indenture or the Indenture. The Trustee shall not be required to take notice or be deemed to have notice or knowledge of any such Event of Default hereunder unless the Trustee shall be specifically notified thereof in writing by the Issuer or the Company, and in the absence of such notice the Trustee may conclusively assume that

no such Event of Default or event which with the giving of notice or the passage of time or both would constitute an Event of Default exists.

Section 5.5 Further Assurances and Corrective Instruments; Recordation. The Issuer and the Company agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention or facilitating the performance of this Agreement, the Master Indenture and the Indenture.

The Company covenants that it will act and cooperate so that this Agreement, the Master Indenture, the Indenture, any financing statements, and all supplements thereto, and any other instruments as may be required from time to time to be kept, will be recorded and filed in such manner and in such places as may from time to time be required by law in order fully to preserve and protect the security of the Bondholders and the rights of the Trustee under the Indenture.

Section 5.6 Environmental Indemnity. The Company hereby agrees to indemnify and hold harmless the Master Trustee, the Trustee, the Issuer and their successors, assigns, officers, affiliates and employees (collectively referred to in this Section 5.6 as the “**Indemnified Parties**”) for, from and against any and all losses, costs, damages, exemplary damages, natural resources damages, liens, and expenses (including, but not limited to, attorneys’ fees and any and all other costs incurred in the investigation, defense and settlement of claims) that Indemnified Parties may incur as a result of or in connection with the assertion against Indemnified Parties, of any claim, civil, criminal or administrative, which:

(a) arises out of the actual, alleged or threatened discharge, dispersal, release, storage, treatment, generation, disposal or escape of any Regulated Chemical, including, but not limited to, any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, medical waste and waste (including materials to be recycled, reconditioned or reclaimed); or

(b) actually or allegedly arises out of the use of any Regulated Chemical, the existence or failure to detect the existence or proportion of any Regulated Chemical in the soil, air, surface water or groundwater, or the performance or failure to perform the abatement or removal of any Regulated Chemical or of any soil, water, surface water or groundwater containing any Regulated Chemical; or

(c) arises out of the actual or alleged existence of any Regulated Chemical on, in, under, or affecting all or a portion of the Project; or

(d) arises out of any misrepresentations of the Company concerning any matter involving Regulated Chemicals; or

(e) arises out of the Company’s failure to provide all information, make all submissions and filings, and take all steps required by appropriate government authority under any applicable environmental law, regulation, statute or program, whether federal, state or local, whether currently existing or hereinafter enacted.

The obligations under this Section 5.6 shall not be affected by any investigation by or on behalf of Indemnified Parties, or by any information which Indemnified Parties may have or obtain with respect thereto.

Notwithstanding anything to the contrary contained in this Section 5.6, no indemnification shall be required for any damages under this Section incurred solely as the result of the gross negligence or willful misconduct of the party seeking indemnification.

The indemnification of the Indemnified Parties as provided in this Section 5.6 shall remain in full force and effect if any such Losses directly or indirectly result from, arise out of, or relate to, or are asserted to have resulted from, arisen out of or related to, the sole or contributory negligence of any of the Indemnified Parties.

Section 5.7 Existence of the Company. While any of the Bonds remain Outstanding, the Company shall maintain its corporate existence and qualification to do business in the State, and, if different, the state of the Company's incorporation, and shall not merge or consolidate with any other corporation or entity or sell or dispose of all or substantially all of its assets, unless (and subject to the provisions of Sections 3.13 and 5.3) (a) either the Company shall be the surviving corporation in the case of a merger, or the surviving, resulting, or transferee corporation, as the case may be, shall expressly and unconditionally assume, in a written instrument delivered to the Issuer and the Trustee, the punctual performance and observance of all of the covenants and conditions of this Agreement to be performed by the Company; (b) the Company or such surviving, resulting, or transferee corporation, as the case may be, shall not, immediately after such merger or consolidation, or sale or disposition, be in default in the performance of any covenant or condition hereunder; (c) the surviving, resulting, or transferee corporation, as the case may be, shall be duly authorized to transact business in the State; (d) the Company or such surviving, resulting, or transferee corporation, as the case may be, shall have a net worth at least equal to the net worth of the Company immediately preceding such merger or consolidation, or sale or disposition, with net worth being determined in accordance with generally accepted accounting principles; and (e) the Trustee shall have received, to its reasonable satisfaction, such other information, documents, certificates and opinions as the Trustee may reasonably require. Prior to the consummation of any such merger, sale, conveyance or transfer, (y) the Company shall deliver to the Issuer and the Trustee a Favorable Opinion of Bond Counsel and an Opinion of Counsel to the effect that such act does not violate the Act or the Code and (z) the surviving, resulting, or transferee entity's certification to the Issuer and the Trustee to the effect that each of the conditions stated in clauses (a) through (e) of the preceding sentence is and will remain satisfied as of the date of such consummation and that such consummation will not cause any such condition to not be satisfied. Furthermore, the Company or any surviving, resulting or transferee corporation shall, at all times during the term of this Agreement, qualify as an "accredited primary or secondary school" or "authorized charter school" as such terms are defined in Section 53.02, Texas Education Code.

Section 5.8 Continuing Disclosure Undertaking.

(a) The Company hereby agrees to enter into and fully perform its obligations under that certain Continuing Disclosure Agreement dated as of March 1, 2026 and effective as of the Closing Date; provided, however, that failure of the Company to comply with such requirements shall not constitute an Event of Default hereunder.

Section 5.9 Treatment of Funds in Bankruptcy. The Company acknowledges and agrees that in the event the Company commences a case under the United States Bankruptcy Code located at 11 U.S.C. § 101 et. seq. (the “Bankruptcy Code”) or is the subject of an involuntary case that results in an order for relief under the Bankruptcy Code: (i) amounts on deposit in any of the Funds are not, nor shall they be deemed to be, property of the Company’s bankruptcy estate as defined by § 541 of the Bankruptcy Code; (ii) that in no event shall the Company assert, claim or contend that amounts on deposit in any of the Funds are property of the Company’s bankruptcy estate; and (iii) that amounts on deposit in any of the Funds are held in trust solely for the benefit of the Registered Owners and the Beneficial Owners, shall be applied only in accordance with the provisions of the Indenture, and the Company has no legal, equitable or reversionary interest in, or right to, such amounts.

ARTICLE VI

EVENTS OF DEFAULT; REMEDIES

Section 6.1 Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Events of Default” shall mean, whenever used in this Agreement, any one or more of the following events:

(a) Failure by the Company to pay the Loan Payments when due pursuant to Section 4.1 of this Agreement; provided that, such Event of Default shall terminate (i) upon timely receipt of two successive payments of the amounts then required under Section 4.1 and (ii) the balance in the Debt Service Fund must equal the amount that is then required to be on deposit.

(b) Any representation or warranty made or deemed made by the Company under the Bond Documents shall be false, misleading or erroneous in any material respect when made or deemed made, or a failure by the Company to observe and perform any covenant, condition, or agreement on its part to be observed or performed under this Agreement or the Indenture, other than as referred to in subsection (a) of this Section, for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, is given to the Company by the Issuer or the Trustee.

(c) The occurrence and continuance of any “Events of Default” specified in the Bond Documents or the Master Indenture that has not been waived or cured.

The foregoing provisions of this Section (except Subsection (a) of this Section) are subject to the following limitations: If by reason of Force Majeure the Company is unable in whole or in part to carry out its agreements contained herein, other than the obligations on the part of the Company to make Loan Payments, the Company shall not be deemed in default during the continuance of such inability. The Company agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Company from carrying out its agreements by reason of such Force Majeure.

Section 6.2 Remedies Upon An Event of Default. Whenever any Event of Default shall have happened and be continuing, the Issuer, the Trustee as assignee of the Issuer may, subject to Article VIII of the Indenture, take any one or more of the following remedial steps:

(a) From time to time, may take whatever action at law or in equity or under the terms of the Bond Documents as necessary or desirable to collect the amounts then due and thereafter to

become due, or to enforce performance and observance of any obligation, agreement, or covenant of the Company under this Agreement or any other Bond Document.

(b) From time to time take whatever actions at law or in equity as necessary or desirable to enforce the obligations of the Company under Section 4.6, Section 5.1, Section 5.6 and Section 7.6 hereof.

Section 6.3 No Remedy to be Exclusive. No remedy herein conferred upon or reserved to the Trustee or the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee or the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be herein expressly required.

Section 6.4 No Additional Waiver Implied by One Waiver. In the event any provision, covenant, or agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 6.5 Remedial Rights Assigned to the Trustee. Such rights and remedies as are given the Issuer hereunder (except the Issuer's rights under Sections 4.6, 5.1, 5.6 and 7.6 hereof) shall upon execution and delivery of the Indenture be assigned to the Trustee, and the Trustee shall have the right to exercise such rights and remedies, without the joinder or consent of the Issuer, in the same manner and under the limitations and conditions that the Trustee is entitled to exercise rights and remedies under the Indenture.

Section 6.6 Agreement to Pay Attorney's Fees and Expenses. If the Company should default under any of the provisions of this Agreement and as a consequence the Issuer and/or the Trustee should employ attorneys or incur other expenses for the collection for amounts payable hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Company contained in this Agreement, the Company agrees that it will on demand therefor reimburse the Issuer and/or the Trustee for the reasonable fees of such attorneys and such other reasonable expenses so incurred. When the Trustee or the Issuer incurs expenses, attorneys' fees, or renders services after an Event of Default specified in Section 601(c) or (d) of the Master Indenture occurs that is related to the dissolution or liquidation by the Company or the filing by the Company of a voluntary petition for relief, or the entry of an order or decree for relief in an involuntary case, or the entry of an order or decree for dissolution, liquidation or winding up of the affairs of the Company under any applicable bankruptcy, insolvency, or similar law, the expenses, attorneys' fees and compensation for the services are intended to constitute post-petition expenses of administration under any bankruptcy law.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Severability of Provisions of this Agreement. In the event any provision of this Agreement shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7.2 Execution of this Agreement in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.3 Captions and Preambles. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement. The preambles hereto are hereby incorporated herein and made a part of this Agreement for all purposes.

Section 7.4 No Pecuniary Liability of the Issuer. No provision, covenant, or agreement contained in this Agreement or breach thereof shall constitute or give rise to any pecuniary liability on the part of the Issuer or any charge upon its general credit. In making such provisions, covenants, or agreements, the Issuer has not obligated itself, except with respect to the Project and the application of the revenues of this Agreement, as hereinabove provided. It is recognized that the Issuer's only source of funds with which to carry out its commitments under this Agreement will be from the proceeds of the sale of the Bonds and payments to be made by the Company hereunder; and it is expressly agreed that the Issuer shall have no liability, obligation, or responsibility with respect to this Agreement or the Project except to the extent of funds available from such Bond proceeds and payments to be made by the Company hereunder.

Section 7.5 Payment to the Issuer. The Company agrees to pay directly to the Issuer all fees required to be paid by the Company under the Issuer's regulations as in effect as of the date hereof, Costs of Issuance reasonably incurred by the Issuer in connection with the issuance of the Bonds, and other expenses, if any, incurred from time to time by the Issuer in connection with the Project or the Bonds.

Section 7.6 Status of the Parties' Relationship. Nothing in this Agreement shall be construed to make either party the partner or joint venturer of or with the other party.

Section 7.7 Governing Law. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State.

Section 7.8 Final Agreement. THIS WRITTEN AGREEMENT AND THE OTHER BOND DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 7.9 Third Party Beneficiaries. The parties hereto expressly recognize that the Master Trustee and the Trustee are third party beneficiaries to this Agreement and may enforce any right, remedy, or claim conferred, given or granted hereunder.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the Issuer and the Company have caused this Agreement to be signed in their behalf by their duly authorized representatives as of the date set forth above.

**ARLINGTON HIGHER EDUCATION FINANCE
CORPORATION**

By: _____
President, Board of Directors

LOGOS PREPARATORY ACADEMY

By: _____
Richard E. Goolsby, Jr., Chairman

EXHIBIT A

THE PROJECT

The Project is for the following purposes and consists of the following “educational facilities” (as defined in Chapter 53A, Texas Education Code):

(a) financing and refinancing, including through reimbursement, all or a portion of the costs of the acquisition, construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities including a school campus located or to be located on an approximately 23.2-acre site situated in the southwest corner of the intersection of Brooks Street and Camelia Street within the City of Sugar Land, Texas, with the current addresses assigned of 800 and 802 Brooks Street, Sugar Land, Texas 77478, to consist of a new approximately 60,000 square-foot, three-story classroom and administrative building, a new approximately 4,000 square-foot one-story cafeteria building, a new open air pavilion, the renovation of an existing approximately 14,000 square-foot gymnasium, athletic fields, related facilities, improvements, fixtures, furnishings, equipment, site improvements and the site therefor;

- (b) funding capitalized interest on the Bonds;
- (c) funding any necessary reserves for the Bonds; and.
- (d) paying certain costs of issuance related to the Bonds.

EXHIBIT B

FORM OF COMPLETION CERTIFICATE

[_____, ____]

UMB Bank, National Association, as Trustee
3070 Bristol Street, Suite 300
Costa Mesa, CA 92626
Attention: Corporate Trust Services

Re: \$[_____] Arlington Higher Education Finance Corporation Education
Revenue Bonds (Logos Preparatory Academy), Series 2026

Ladies and Gentlemen:

The undersigned, being the owner of the Project, as defined in that certain Loan Agreement dated as of March 1, 2026 (the “**Loan Agreement**”) by and among the undersigned and the Issuer hereby certifies to UMB Bank, National Association, as trustee (the “**Trustee**”), that “Completion” of the Project on the Campus has been attained as of the date hereof and all conditions relating thereto as set forth below have been satisfied. Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Loan Agreement.

The undersigned hereby represents and warrants that:

1. as of the date hereof, all Project Costs payable with respect to the acquisition of the Project have been paid;
2. the amount from the Project Fund expended for Project Costs relating to the Project totaled \$_____;
3. the amount from the Project Fund expended for Project Costs which are not Qualifying Costs (as defined in Section 5.3(r) of the Loan Agreement) totaled \$_____; and
4. not less than 95 percent of the Net Proceeds of the Series 2026 Bonds were used for Qualifying Costs. If less than 95 percent of the Proceeds of the Series 2026 Bonds were used for Qualified Costs, the Company has redeposited amounts into the Project Fund such that the amount of proceeds disbursed for Qualified Costs is equal to at least 95 percent of the Net Proceeds of the Series 2026 Bonds; provided, however, that such redeposit and expenditure did occur not later than 18 months after the later of (i) the date the expenditure to which the redeposited funds are allocated was paid, or (ii) the date the asset to which the redeposited funds are allocated was placed in service, and in no event later than sixty (60) days after the fifth anniversary of the date of issue of the Series 2026 Bonds or the date sixty (60) days after the retirement of the issue, if earlier. Moreover, proceeds in an amount equal to not more than 2 percent of the Sale Proceeds of the Series 2026 Bonds were used for Costs of Issuance.

[Signature page follows]

LOGOS PREPARATORY ACADEMY

By: _____
Authorized Representative

APPROVED BY:

as Construction Consultant

By: _____
Authorized Representative

APPENDIX H
FORM OF DEED OF TRUST

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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DEED OF TRUST AND SECURITY AGREEMENT

(With Assignment of Rents and Leases)

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

This instrument (“**Deed of Trust**”) is a deed of trust, dated as of March 1, 2026, from:

Mortgagor Name(s): LOGOS PREPARATORY ACADEMY, a Texas nonprofit corporation

Address: 13303 Southwest Freeway, Sugar Land, Texas 77478

with a copy to:
Hallett & Perrin, P.C.
Attention: Philip Danze
1445 Ross Avenue, Suite 2400, Dallas, Texas 75202

(called the “**Mortgagor**,” “**Debtor**” and “**Assignor**,” whether one or more) to:

Mortgage Bond Trustee Name: Jeanie Mar

Address: UMB Bank, National Association
3070 Bristol Street, Suite 300, Costa Mesa, CA 92626

as trustee (called the “**Mortgage Bond Trustee**”), for the use and benefit of:

Mortgagee Name: UMB Bank, National Association, a national banking association, not in its individual capacity but solely as the Master Trustee under that certain Master Trust Indenture and Security Agreement dated as of March 1, 2026 (the “**Original Master Indenture**”), as supplemented by Supplemental Master Trust Indenture No. 1, dated as of March 1, 2026 between Mortgagor and the Master Trustee (the Original Master Indenture, as further amended, supplemented, restated or replaced from time to time, the “**Master Indenture**”), for the benefit of the Holders of Notes issued thereunder from time to time.

Address: 3070 Bristol Street, Suite 300
Costa Mesa, CA 92626

(“**Mortgagee**,” “**Secured Party**” and “**Assignee**”), a security agreement between Debtor and Secured Party and an assignment of leases and rents from Assignor to Assignee.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Master Indenture.

TABLE OF CONTENTS

	<u>Page</u>
Article 1 IDENTIFICATION OF THE COLLATERAL AND ITS CONVEYANCE TO THE MORTGAGE TRUSTEE	1
Section 1.01 Mortgagor’s Conveyance of the Collateral to the Mortgage Trustee to Secure the Debt.....	1
Section 1.02 Habendum and Title Warranty.....	3
Article 2 THE DEBT SECURED.....	3
Section 2.01 Conveyance in Trust to Secure Designated Obligations	3
Section 2.02 Debt Defined.....	4
Article 3 SECURITY AGREEMENT	4
Section 3.01 Grant of Security Interest.....	4
Section 3.02 Debtor’s Covenants Concerning Personalty Subject to the UCC.....	5
Section 3.03 UCC Rights are not Exclusive	8
Section 3.04 Deed of Trust is Also Financing Statement.....	8
Section 3.05 No other Financing Statements on the Collateral	8
Section 3.06 Secured Party May File Financing and Continuation Statements	9
Section 3.07 Fixtures.....	9
Section 3.08 Assignment of Non-UCC Personal Property.....	9
Section 3.09 Debtor’s Warranties Concerning Collateral	9
Section 3.10 Certain Powers of Secured Party.....	9
Section 3.11 Standard of Care	11
Section 3.12 Change Terms, Release Collateral.....	11
Article 4 MORTGAGOR’S COVENANTS.....	11
Section 4.01 Covenants for the Benefit of Mortgagee	11
Section 4.02 Mortgagor Agrees to Pay or Reimburse Mortgagee’s Expenses.....	15
Article 5 MORTGAGOR’S REPRESENTATIONS AND WARRANTIES	16
Section 5.01 Mortgagor Solvent.....	17
Section 5.02 No False Representation	17
Section 5.03 Title	17
Section 5.04 Regulation U.....	17
Section 5.05 ERISA	17
Article 6 DEFAULTS AND REMEDIES	17
Section 6.01 Release for Full Payment and Performance	17
Section 6.02 Events of Default	18

Section 6.03	Remedies.....	18
Section 6.04	Time and Place of Sale and Notices	19
Section 6.05	Application of Foreclosure Sale Proceeds.....	20
Section 6.06	Mortgagee May Require Abandonment and Recommencement of Sale	20
Section 6.07	Multiple Sales; Deed of Trust Continues in Effect.....	20
Section 6.08	Mortgagee May Bid and Purchase.....	21
Section 6.09	Successor or Substitute Mortgage Bond Trustee	21
Section 6.10	Right to Receiver	21
Section 6.11	Tenants at Will.....	21
Section 6.12	Lifting of Automatic Stay	22
Article 7	MORTGAGEE’S RIGHT TO PERFORM MORTGAGOR’S OBLIGATIONS.....	22
Section 7.01	Mortgagee May Elect to Perform Defaulted Obligations.....	22
Section 7.02	Exercise of Rights is not Waiver or Cure of Default.....	23
Article 8	TAX AND INSURANCE DEPOSITS	23
Article 9	ASSIGNMENT OF RENTS	23
Section 9.01	Assignment of Rents, Revenues, Income and Profits.....	23
Section 9.02	Assignment is Absolute; Grant of Revocable License to Mortgagor to Collect Rental Before an Event of Default	24
Section 9.03	Remedies.....	24
Section 9.04	Mortgagee in Possession; No Liability of Mortgagee.....	25
Section 9.05	Additional Covenants, Warranties and Representations Concerning Leases and Rental.....	25
Section 9.06	Merger.....	27
Section 9.07	Reassignment.....	27
Article 10	GENERAL AND MISCELLANEOUS PROVISIONS	27
Section 10.01	Debt May be Changed without Affecting this Deed of Trust	27
Section 10.02	Security is Cumulative.....	27
Section 10.03	Usury Not Intended; Savings Provisions	27
Section 10.04	Mortgagor Waives All Stay, Extension, Appraisement and Redemption Rights	28
Section 10.05	Subrogation to Liens Discharged	28
Section 10.06	Due on Sale.....	28
Section 10.07	Condemnation.....	29
Section 10.08	Appraisals and Reports to be Provided	30
Section 10.09	Notices	30
Section 10.10	Mortgagee and Mortgagor	31
Section 10.11	Article, Section and Exhibit References, Numbers and Headings	31
Section 10.12	Exhibits Incorporated	31
Section 10.13	“Including” is not Limiting.....	31
Section 10.14	Gender.....	31

Section 10.15 Severability.....	31
Section 10.16 Any Unsecured Debt is Deemed Paid First.....	31
Section 10.17 Payments Returned.....	32
Section 10.18 Noun, Pronoun and Verb Numbers	32
Section 10.19 Amendments in Writing	32
Section 10.20 Mortgagee’s Offset Rights.....	33
Section 10.21 Venue.....	33
Section 10.22 Entire Agreement.....	34
Section 10.23 Release of Claims.....	34
Section 10.24 Subordinate Liens	34
Section 10.25 Development Encumbrances.....	34
Section 10.26 Conflict with Related Loan Documents.....	35
Section 10.27 Concerning Mortgagee	35
Article 11 ENVIRONMENTAL MATTERS	36
Section 11.01 Certain Definitions.....	36
Section 11.02 Environmental Representations and Warranties.....	40
Section 11.03 Environmental Covenants.....	41
Section 11.04 Environmental Indemnity Scope of Indemnity.....	43
EXHIBITS:	
Exhibit A — Real Property Description	
Exhibit B — Subject Leases	
Exhibit C — Leased Property Description	
Exhibit D — Permitted Encumbrances	
Exhibit E — Environmental Laws	

ARTICLE 1
IDENTIFICATION OF THE COLLATERAL AND ITS CONVEYANCE TO THE
MORTGAGE TRUSTEE

Section 1.01 Mortgagor's Conveyance of the Collateral to the Mortgage Trustee to Secure the Debt. To secure payment of principal, lawful interest and other elements of the Debt described and defined in Article 2, in consideration of the uses and trusts (the "**Trust**") established and continued by this Deed of Trust and in consideration of \$10 and other good and valuable consideration paid before delivery of this Deed of Trust by each of Mortgage Bond Trustee and Mortgagee to Mortgagor, who hereby acknowledges its receipt and that it is reasonably equivalent value for this Deed of Trust and all other security and rights given by Mortgagor, Mortgagor hereby grants, sells, conveys, transfers, assigns, sets over, confirms and delivers unto the Mortgage Bond Trustee and to his successors or substitutes in the Trust, with power of sale, the following property (collectively, the "**Collateral**"):

(a) Real Property. All of the real estate and premises described or referred to on EXHIBIT A, together with (i) all of Mortgagor's estate, right, title and interest in and to all easements and rights of way for utilities, ingress or egress to or from said property, and (ii) all interests of Mortgagor in and to all streets, rights-of-way, alleys or strips of land adjoining said property (collectively, the "**Fee Property**").

(b) Intentionally Deleted.

(c) Buildings and Improvements. All existing and all future buildings on the Real Property and other improvements to it, all of which Mortgagor and Mortgagee hereby irrevocably declare to be real estate and part of the Real Property, including all water, sewage and drainage facilities, wells, treatment plants, supply, collection and distribution systems, paving, landscaping and other improvements (collectively, the "**Improvements**").

(d) Fixtures, Equipment and Supplies. All fixtures, equipment, supplies and other personal property of every kind and nature (the "**Fixtures and Equipment**") now or hereafter attached to, used, intended or acquired for use for, or in connection with, the construction, maintenance, operation or repair of the Real Property or Improvements, or for the present or future replacement or replenishment of used portions of it, and all related parts, filters and supplies, including, but not limited to, all heating, lighting, cooling, ventilating, air conditioning, environment control, refrigeration, plumbing, incinerating, water heating, cooking, pollution control, gas, electric, solar, nuclear, computing, monitoring, measuring, controlling, distributing and other equipment and fixtures, and all renewals and replacements of them, all substitutions for them and all additions and accessions to them, all of which Mortgagor and Mortgagee hereby also irrevocably declare to be real estate and part of the Real Property.

(e) Leases. All Leases (as such term is defined in Section 9.01 below).

(f) Utilities. All wastewater, fresh water and other utilities capacity and facilities (the "**Utilities Capacity**") available or allocable to the Real Property and Improvements or dedicated to or reserved for them pursuant to any system, program, contract or other arrangement with any public or private utility, and all related or incidental licenses, rights and

interests, whether considered to be real, personal or mixed property, including the right and authority to transfer or relinquish any or all such rights and the right to any credit, refund, reimbursement or rebate for utilities facilities construction or installation or for any reservation fee, standby fee or capital recovery charge promised, provided or paid for by Mortgagor or any of Mortgagor's predecessors or Affiliates (defined below), to the full extent now allocated or allocable to the Real Property or Improvements, plus all additional Utilities Capacity, if any, not dedicated or reserved to the Real Property or Improvements but which is now or hereafter owned or controlled by Mortgagor or by anyone (an "**Affiliate**," whether a natural person or an entity) who, directly or through one or more intermediaries controls, is controlled by or is under common control with Mortgagor, to the full extent that such additional Utilities Capacity is necessary to allow development, marketing and use of the Real Property or Improvements for their highest and best use.

(g) After-acquired Property. All estate, right, title and interest acquired by Mortgagor in or to the Real Property, Improvements, Fixtures and Equipment, Leases and Utilities Capacity after execution of this Deed of Trust.

(h) Appurtenances. Any and all rights and appurtenances (the "**Appurtenances**") belonging, incident or appertaining to the Real Property, Improvements, Fixtures and Equipment, Leases or Utilities Capacity or any part of them.

(i) Oil and Gas. All existing and future minerals, oil, gas and other hydrocarbon substances in, upon, under or through the Real Property, if any.

(j) Reversions and Remainders. Any and all rights and estates in reversion or remainder to the Real Property, Improvements, Fixtures and Equipment, Leases, Utilities Capacity or Appurtenances or any part of them.

(k) Contractual Rights. All contracts (including contracts for the sale or exchange of all or any portion of the Real Property or the Improvements), franchises, licenses and permits whether executed, granted or issued by a private person or entity or a governmental or quasi-governmental agency, which are directly or indirectly related to or connected with the development or sale of the Real Property or the Improvements, whether now or at any time hereafter existing, and all amendments and supplements thereto and renewals and extensions thereof at any time made, and all rebates, refunds, escrow accounts and funds, or deposits and all other sums due or to become due under and pursuant thereto and all powers, privileges, options and Mortgagor's other benefits thereunder.

(l) Other Estates and Interests. All other estates, easements, interests, licenses, rights, titles, powers or privileges of every kind and character which Mortgagor now has, or at any time hereafter acquires, in and to any of the foregoing, including the proceeds from condemnation, or threatened condemnation, and the proceeds of any and all insurance covering any part of the foregoing; and all related parts, accessions and accessories to any of the foregoing and all replacements or substitutions therefor, as well as all other Improvements, Fixtures and Equipment, Leases, Utilities Capacity and Appurtenances now or hereafter placed thereon or accruing thereto.

Section 1.02 Habendum and Title Warranty. TO HAVE AND TO HOLD the Collateral, together with every right, privilege, hereditament and appurtenance belonging or appertaining to it, unto the Mortgage Bond Trustee, his successors or substitutes in the Trust and his or their assigns, with the power of sale, subject to the terms, provisions and conditions herein set forth, to secure the obligations of Grantor under the Notes and Credit Documents and all other indebtedness and matters defined as the Debt in Section 2.02 below, including any and all renewals, or extensions of the whole or any part thereof (and any such renewals or extensions shall not impair in any manner the validity or priority of this Deed of Trust). Mortgagor represents that Mortgagor is the lawful owner of the Collateral with good right and authority to mortgage and convey it, and that the Collateral is free and clear of all liens, claims and encumbrances except only those expressly referred to or described in EXHIBIT D (the “**Permitted Encumbrances**”). Mortgagor hereby binds Mortgagor and Mortgagor’s successors and assigns to forever WARRANT and DEFEND the Collateral and every part of it unto the Mortgage Bond Trustee, his successors or substitutes in the Trust, and his or their assigns, against the claims and demands of every person whomsoever lawfully claiming or to claim it or any part of it (such warranty to supersede any provision contained in this Deed of Trust limiting the liability of Mortgagor), subject to the Permitted Encumbrances. Other than as part of the Permitted Encumbrances, the Mortgagor has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Collateral granted hereunder that ranks on a parity with or prior to the lien granted hereunder that will remain outstanding on the Closing Date. The Mortgagor has not described such Collateral in a UCC financing statement that will remain effective on the Closing Date. The Mortgagor will not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Collateral described hereunder that ranks prior to, on parity with, or subordinate to the lien granted hereunder, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted by the Master Indenture and the Related Bond Documents. The lien of this Deed of Trust on the real property and fixtures described herein may not be avoided by any bona fide purchaser acquiring such property for value after the date hereof. The security interest granted hereunder is and shall be prior to any judicial lien hereafter imposed on such Collateral to enforce a judgment against the Mortgagor on a simple contract.

ARTICLE 2

THE DEBT SECURED

Section 2.01 Conveyance in Trust to Secure Designated Obligations. This conveyance to the Mortgage Bond Trustee is in trust to secure all of the following present and future debt and obligations:

(a) The Notes. All indebtedness now or hereafter evidenced and to be evidenced by (i) any and all Notes issued pursuant to the Master Indenture, from time to time; and (ii) any and all past, concurrent or future modifications, extensions, renewals, rearrangements, replacements and increases of such Notes (collectively, the “**Notes**”).

(b) Master Indenture. All obligations and indebtedness of Mortgagor to the Master Trustee or the holders of Notes now or hereafter created or incurred under the Master Indenture.

(c) Other Specified Obligations. All other obligations, if any, described or referred to in any other place in this Deed of Trust.

(d) Advances and Other Obligations Pursuant to this Deed of Trust's Provisions. Any and all sums and the interest which accrues on them as provided in this Deed of Trust which Mortgagee may advance or which Mortgagor may owe Mortgagee pursuant to this Deed of Trust on account of Mortgagor's failure to keep, observe or perform any of Mortgagor's covenants under this Deed of Trust.

(e) Obligations under Related Bond Documents. All present and future debts and obligations under or pursuant to (1) any papers now or in the future governing, evidencing, guaranteeing or securing or otherwise relating to payment of all or any part of the debt evidenced by the Notes, including but not limited to the Related Bond Documents, or (2) all supplements, amendments, restatements, renewals, extensions, rearrangements, increases, expansions or replacements of them (collectively, the "**Credit Documents**").

Section 2.02 Debt Defined. The term "**Debt**" means and includes every Note and all other debt and obligations described or referred to in Section 2.01. The Debt includes interest and other obligations accruing or arising after (a) commencement of any case under any bankruptcy or similar laws by or against Mortgagor or any other person or entity now or hereafter primarily or secondarily obligated to pay all or any part of the Debt (Mortgagor and each such other person or entity being herein called an "**Obligor**") or (b) the obligations of any Obligor shall cease to exist by operation of law or for any other reason. The Debt also includes all reasonable attorneys' fees and any other expenses incurred by Mortgagee in enforcing any of the Credit Documents. All liens, assignments and security interests created, represented or continued by this Deed of Trust, both present and future, shall be first, prior and superior to any lien, assignment, security interest, charge, reservation of title or other interest heretofore, concurrently or subsequently suffered or granted by Mortgagor or Mortgagor's successors or assigns, except only statutory super priority liens for nondelinquent taxes and those other liens (if any) expressly identified and stated in this Deed of Trust to be senior.

ARTICLE 3 SECURITY AGREEMENT

Section 3.01 Grant of Security Interest. Without limiting any of the provisions of this Deed of Trust, Mortgagor, as Debtor, and referred to in this Article as "**Debtor**" (whether one or more) hereby grants to Mortgagee, as Secured Party, and referred to in this Article as "**Secured Party**" (whether one or more) in order to secure the Debt, a security interest in all of Debtor's remedies, powers, privileges, rights, titles and interests (including all of Debtor's power, if any, to pass greater title than it has itself) of every kind and character now owned or hereafter acquired, created or arising in and to (i) the Collateral (including both that now and that hereafter existing) to the full extent that the Collateral may be subject to the Uniform Commercial Code of the state or states where the Collateral is situated (the "**UCC**"), (ii) all equipment, accounts, general intangibles, fixtures, inventory, chattel paper, notes, documents and other personal property used, intended or acquired for use, on, or in connection with the use or operation of, the Collateral, or otherwise related to the Collateral, and all products and proceeds of it, including all security deposits under Leases now or at any time hereafter held by or for Debtor's benefit, all monetary

deposits that Debtor has been required to give to any public or private utility with respect to utility services furnished to the Collateral, all funds, accounts, instruments, accounts receivable, documents, trademarks, trade names and symbols used in connection therewith, and notes or chattel paper arising from or by virtue of any transactions related to the Collateral, all permits, licenses, franchises, certificates and other rights and privileges obtained in connection with the Collateral, and all guaranties and warranties obtained with respect to all improvements, equipment, furniture, furnishings, personal property and components of any thereof located on or installed at the Real Property, and (iii) the following described property:

(a) Contracts. All contracts now or hereafter entered into by and between Debtor and any Original Contractor (as such term is defined in Section 53.001(7) of the Texas Property Code) or between Debtor and any other party, as well as all right, title and interest of Debtor under any subcontracts, providing for the construction (original, restorative or otherwise) of any improvements to or on any of the Collateral or the furnishing of any materials, supplies, equipment or labor in connection with any such construction.

(b) Plans. All of the plans, specifications and drawings (including plot plans, foundation plans, floor plans, elevations, framing plans, cross-sections of walls, mechanical plans, electrical plans and architectural and engineering plans and architectural and engineering studies and analyses) heretofore or hereafter prepared by any architect, engineer or other design professional, in respect of any of the Collateral.

(c) Design, etc. Agreements. All agreements now or hereafter entered into with any person or entity in respect of architectural, engineering, design, management, development or consulting services rendered or to be rendered in respect of planning, design, inspection or supervision of the construction, management or development of any of the Collateral.

(d) Lender or Investor Commitments. Any commitment issued by any lender or investor other than Mortgagee to finance or invest in any of the Collateral.

(e) Bonds. Any completion bond, performance bond and labor and material payment bond and any other bond relating to the Collateral or to any contract providing for construction of improvements to any of the Collateral;

together with all substitutions for and proceeds of any of the foregoing received upon the rental, sale, exchange, transfer, collection or other disposition or substitution of it and together with all general intangibles now owned by Debtor or existing or hereafter acquired, created or arising (whether or not related to any of the foregoing Property). All the property described or referred to in Section 1.01 and this Section 3.01 is collectively referred to as the “**Collateral**.” The Collateral is also referred to as the “**Property**.” In the event of any express inconsistency between the provisions of this Section and Article 9 regarding any Lease, the provisions of Article 9, to the extent valid, enforceable and in effect, shall govern and control.

Section 3.02 Debtor’s Covenants Concerning Personalty Subject to the UCC. Debtor covenants and agrees with Secured Party that in addition to and cumulative of any other remedies granted in this Deed of Trust to Secured Party or the Mortgage Bond Trustee, upon or at any time after the occurrence of an Event of Default (defined in Article 6):

(a) Secured Party is authorized, in any legal manner and without breach of the peace, to take possession of the Collateral (Debtor hereby WAIVING all claims for damages arising from or connected with any such taking) and of all books, records and accounts relating thereto and to exercise without interference from Debtor any and all rights which Debtor has with respect to the management, possession, operation, protection or preservation of the Collateral, including the right to sell or rent the same for the account of Debtor and to deduct from such sale proceeds or such rents all costs, expenses and liabilities of every character incurred by Secured Party in collecting such sale proceeds or such rents and in managing, operating, maintaining, protecting or preserving the Collateral and to apply the remainder of such sales proceeds or such rents on the Debt in such manner as Secured Party may elect. Before any sale, Secured Party may, at its option, complete the processing of any of the Collateral and/or repair or recondition the same to such extent as Secured Party may deem advisable and any sums expended therefor by Secured Party shall be reimbursed by Debtor. Secured Party may take possession of Debtor's premises to complete such processing, repairing and/or reconditioning, using the facilities and other property of Debtor to do so, to store any Collateral and to conduct any sale as provided for herein, all without compensation to Debtor. All costs, expenses and liabilities incurred by Secured Party in collecting such sales proceeds or such rents, or in managing, operating, maintaining, protecting or preserving such properties, or in processing, repairing and/or reconditioning the Collateral if not paid out of such sales proceeds or such rents as hereinabove provided, shall constitute a demand obligation owing by Debtor and shall bear interest from the date of expenditure until paid at the Past Due Rate (as defined in Article 7 below), all of which shall constitute a portion of the Debt. If necessary to obtain the possession provided for above, Secured Party may invoke any and all legal remedies to dispossess Debtor, including specifically one or more actions for forcible entry and detainer. In connection with any action taken by Secured Party pursuant to this Section, Secured Party shall not be liable for any loss sustained by Debtor resulting from any failure to sell or let the Collateral, or any part thereof, or from other act or omission of Secured Party with respect to the Collateral unless such loss is caused by the willful misconduct and bad faith of Secured Party, nor shall Secured Party be obligated to perform or discharge any obligation, duty, or liability under any sale or lease agreement covering the Collateral or any part thereof or under or by reason of this instrument or the exercise of rights or remedies hereunder.

(b) Secured Party may, without notice except as hereinafter provided, sell the Collateral or any part thereof at public or private sale (with or without appraisal or having the Collateral at the place of sale) for cash, upon credit, or for future delivery, and at such price or prices as Secured Party may deem best, and Secured Party may be the purchaser of any and all of the Collateral so sold and may apply upon the purchase price therefor any of the Debt and thereafter hold the same absolutely free from any right or claim of whatsoever kind. Secured Party is authorized at any such sale, if Secured Party deems it advisable or is required by applicable law so to do, to disclaim and to refuse to give any warranty, and to impose such other limitations or conditions in connection with any such sale as Secured Party deems necessary or advisable in order to comply with applicable law. Upon any such sale Secured Party shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, stay or appraisal which Debtor has or may have under any rule of law or statute now existing or hereafter adopted. To the extent notice is required by applicable law, Secured Party shall give Debtor written notice at the address set forth herein (which shall satisfy any requirement of notice or reasonable notice in any applicable statute) of Secured Party's

intention to make any such public or private sale. Such notice (if any is required by applicable law) shall be personally delivered or mailed, postage prepaid, at least ten (10) calendar days before the date fixed for a public sale, or at least ten (10) calendar days before the date after which the private sale or other disposition is to be made, unless the Collateral is of a type customarily sold on a recognized market, is perishable or threatens to decline speedily in value. Such notice (if any is required by applicable law), in case of public sale, shall state the time and place fixed for such sale or, in case of private sale or other disposition other than a public sale, the time after which the private sale or other such disposition is to be made. Any public sale shall be held at such time or times, within the ordinary business hours and at such place or places, as Secured Party may fix in the notice of such sale. At any sale the Collateral may be sold in one lot as an entirety or in separate parcels as Secured Party may determine. Secured Party shall not be obligated to make any sale pursuant to any such notice. Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at any time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Secured Party until the selling price is paid by the purchaser thereof, but Secured Party shall incur no liability in case of the failure of such purchaser to take up and pay for the Collateral so sold, and in case of any such failure, such Collateral may again be sold upon like notice. Each and every method of disposition described in this Section shall constitute disposition in a commercially reasonable manner. Each Obligor, to the extent applicable, shall remain liable for any deficiency.

(c) Secured Party shall have all the rights of a secured party after default under the Uniform Commercial Code of Texas and in conjunction with, in addition to or in substitution for those rights and remedies:

(i) Secured Party may require Debtor to assemble the Collateral and make it available at a place Secured Party designates that is mutually convenient to allow Secured Party to take possession or dispose of the Collateral; and

(ii) it shall not be necessary that Secured Party take possession of the Collateral or any part thereof before the time that any sale pursuant to the provisions of this Article is conducted and it shall not be necessary that the Collateral or any part thereof be present at the location of such sale; and

(iii) before application of proceeds of disposition of the Collateral to the Debt, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses incurred by Secured Party, with each Obligor, to the extent applicable, to remain liable for any deficiency; and

(iv) the sale by Secured Party of less than the whole of the Collateral shall not exhaust the rights of Secured Party hereunder, and Secured Party is specifically empowered to make successive sale or sales hereunder until the whole of the Collateral shall be sold; and, if the proceeds of such sale of less than the whole of the Collateral shall be less than the aggregate of the indebtedness secured hereby, this Deed of Trust and the security interest created hereby shall remain in

full force and effect as to the unsold portion of the Collateral just as though no sale had been made; and

(v) in the event any sale hereunder is not completed or is defective in the opinion of Secured Party, such sale shall not exhaust the rights of Secured Party hereunder and Secured Party shall have the right to cause a subsequent sale or sales to be made hereunder; and

(vi) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of any indebtedness or as to the occurrence of any default, or as to Secured Party having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and the Collateral to be sold having been duly given, as to any other act or thing having been duly done by Secured Party, shall be taken as prima facie evidence of the truth of the facts so stated and recited; and

(vii) Secured Party may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Secured Party, including the sending of notices and the conduct of sale, but in the name and on behalf of Secured Party; and

(viii) demand of performance, advertisement and presence of property at sale are hereby WAIVED and Secured Party is hereby authorized to sell hereunder any evidence of debt it may hold as security for the secured indebtedness. All demands and presentments of any kind or nature are expressly WAIVED by Debtor. Debtor WAIVES the right to require Secured Party to pursue any other remedy for the benefit of Debtor and agrees that Secured Party may proceed against any Obligor for the amount of the Debt owed to Secured Party without taking any action against any other Obligor or any other person or entity and without selling or otherwise proceeding against or applying any of the Collateral in Secured Party's possession.

Section 3.03 UCC Rights are not Exclusive. Should Secured Party elect to exercise its rights under the UCC as to part of the personal property or fixtures described in this Deed of Trust, such election shall not preclude Secured Party or the Mortgage Bond Trustee from exercising any or all of the rights and remedies granted by the other Articles of this Deed of Trust as to the remaining personal property or fixtures.

Section 3.04 Deed of Trust is Also Financing Statement. Secured Party is hereby authorized by the Debtor to file, at Secured Party's election, at any time after delivery of this Deed of Trust, an original of this Deed of Trust as a financing statement.

Section 3.05 No other Financing Statements on the Collateral. So long as any amount remains unpaid on the Debt, Debtor will not authorize and there will not be filed in any public office any financing statements affecting the Collateral other than financing statements in favor of Secured Party under this Deed of Trust and such protective filings related to the Permitted

Encumbrances as are permitted to be filed pursuant to the UCC, unless prior written specific consent and approval of Secured Party shall have been first obtained.

Section 3.06 Secured Party May File Financing and Continuation Statements. Debtor hereby agrees to cause this Deed of Trust and any related financing statements to be recorded in the appropriate jurisdictions to evidence the perfection of Secured Party's security interest in the Collateral. Secured Party is authorized, but not obligated, to file this Deed of Trust, a financing statement or statements and one or more continuation statements in any jurisdiction where Secured Party deems it necessary, and at Secured Party's request, Debtor will join Secured Party in authorizing one or more financing statements, continuation statements or both pursuant to the UCC, in form satisfactory to Secured Party, and will pay the costs of filing or recording them, in all public offices at any time and from time to time whenever filing or recording of this Deed of Trust, any financing statement or any continuation statement is deemed by Secured Party or its counsel to be necessary or desirable.

Section 3.07 Fixtures. Certain of the Collateral is or will become "fixtures" (as that term is defined in the UCC) on the Real Property, and when this Deed of Trust is filed for record in the real estate records of the county where such fixtures are situated, it shall also automatically operate as a financing statement upon such of the Collateral which is or may become fixtures. Information concerning the security interest created by this Deed of Trust may be obtained from Secured Party at Secured Party's address stated above. The mailing address of Debtor is as stated above.

Section 3.08 Assignment of Non-UCC Personal Property. To the extent that any of the Collateral is not subject to the UCC of the state or states where it is situated, Debtor hereby assigns to Secured Party all of Debtor's right, title and interest in the Collateral to secure the Debt. Release of the lien of this Deed of Trust shall automatically terminate this assignment.

Section 3.09 Debtor's Warranties Concerning Collateral. Debtor warrants and represents to Secured Party that Debtor is the legal and equitable owner and holder of the Collateral free of any adverse claim and free of any security interest or encumbrance except only for the security interest granted hereby in the Collateral and those other security interests (if any) expressly referred to or described in this Deed of Trust (such warranty to supersede any provision contained in this Deed of Trust limiting the liability of Mortgagor). Debtor agrees to defend the Collateral and its proceeds against all claims and demands of any person at any time claiming the Collateral, its proceeds or any interest in either, subject to the Permitted Encumbrances. Debtor also warrants and represents that Debtor has not heretofore authorized the filing of any financing statement directly or indirectly affecting the Collateral or any part of it which has not been completely terminated of record, and no such financing statement is now on file in any public office except only those statements (if any) true and correct copies of which Debtor has actually delivered to Secured Party.

Section 3.10 Certain Powers of Secured Party. Debtor hereby authorizes and directs each account debtor and each other person or entity obligated to make payment in respect of any of the Collateral (each a "**Collateral Obligor**") to pay over to Secured Party, its officers, agents or assigns, upon demand by Secured Party, all or any part of the Collateral without making any inquiries as to the status or balance of the secured indebtedness and without any notice to or further consent of Debtor. Debtor hereby agrees to indemnify each Collateral Obligor and hold each

Collateral Obligor harmless from all expenses and losses which it may incur or suffer as a result of any payment it makes to Secured Party pursuant to this paragraph. To facilitate the rights of Secured Party hereunder, Debtor hereby authorizes Secured Party, its officers, employees, agents or assigns:

(a) to notify Collateral Obligors of Secured Party's security interest in the Collateral and to collect all or any part of the Collateral without further notice to or further consent by Debtor, and Debtor hereby constitutes and appoints Secured Party the true and lawful attorney of Debtor (such agency being coupled with an interest), irrevocably, with power of substitution, in the name of Debtor or in its own name or otherwise, to take any of the actions described in the following clauses (b), (c), (d), (e), (f) and (g);

(b) to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all amounts that may be or become due or payable under the Collateral and to settle and/or adjust all disputes and/or claims directly with any Collateral Obligor and to compromise, extend the time for payment, arrange for payment in installments, otherwise modify the terms of, or release, any of the Collateral, on such terms and conditions as Secured Party may determine (without thereby incurring responsibility to or discharging or otherwise affecting the liability of Debtor to Secured Party under this Deed of Trust or otherwise);

(c) to direct delivery of, receive, open and dispose of all mail addressed to Debtor and to execute, sign, endorse, transfer and deliver (in the name of Debtor or in its own name or otherwise) any and all receipts or other orders for the payment of money drawn on the Collateral and all notes, acceptances, commercial paper, drafts, checks, money orders and other instruments given in payment or in part payment thereof and all invoices, freight and express bills and bills of lading, storage receipts, warehouse receipts and other instruments and documents in respect of any of the Collateral and any other documents necessary to evidence, perfect and realize upon the security interests and obligations of this Deed of Trust;

(d) in its discretion to file any claim or take any other action or proceeding which Secured Party may deem necessary or appropriate to protect and preserve the rights, titles and interests of Secured Party hereunder;

(e) to sign the name of Debtor to drafts against Collateral Obligors, assignments or verifications of any of the Collateral and notices to Collateral Obligors;

(f) to station one or more representatives of Secured Party on Debtor's premises for the purpose of exercising any rights, benefits or privileges available to Secured Party hereunder or under any of the Credit Documents or at law or in equity, including receiving collections and taking possession of books and records relating to the Collateral; and

(g) to cause title to any or all of the Collateral to be transferred into the name of Secured Party or any nominee or nominees of Secured Party.

The powers conferred on Secured Party pursuant to this Section are conferred solely to protect Secured Party's interest in the Collateral and shall not impose any duty or obligation on Secured Party to perform any of the powers herein conferred. No exercise of any of the rights provided for

in this Section shall constitute a retention of collateral in full or partial satisfaction of the indebtedness as provided for in the Uniform Commercial Code of Texas.

Section 3.11 Standard of Care. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in its possession if it takes such action for that purpose as Debtor requests in writing, but failure of Secured Party to comply with such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of Secured Party to take any action not so requested by Debtor shall be deemed a failure to exercise reasonable care in the custody or preservation of any such Collateral.

Section 3.12 Change Terms, Release Collateral. Secured Party may extend the time of payment, arrange for payment in installments, otherwise modify the terms of, or release, any of the Collateral, without thereby incurring responsibility to Debtor or discharging or otherwise affecting any liability of Debtor. Secured Party shall not be required to take steps necessary to preserve any rights against prior parties to any of the Collateral.

ARTICLE 4 MORTGAGOR'S COVENANTS

Section 4.01 Covenants for the Benefit of Mortgagee. Subject to the terms and conditions of the Related Bond Documents, to better secure the Debt, Mortgagor covenants and agrees with the Mortgage Bond Trustee and his substitutes and successors in the Trust, for the use and benefit of Mortgagee and with the intent that the Mortgage Bond Trustee, Mortgagee or both may enforce these covenants, that:

(a) Liens, etc. and Remedies Cumulative. No lien, assignment, security interest, guaranty, right or remedy in favor of Mortgagee granted in, secured by or ancillary to this Deed of Trust shall be considered as exclusive, but each shall be cumulative of all others which Mortgagee or the Mortgage Bond Trustee may now or hereafter have.

(b) Mortgagor Waives Marshalling of Assets and Sale in Inverse Order of Alienation Rights. Mortgagor hereby irrevocably WAIVES all rights of marshalling of assets or sale in inverse order of alienation in the event of foreclosure of this or any other security.

(c) Mortgagor Will Correct Title Defects. Subject to the Permitted Encumbrances, if at any future time any defect should be found to exist in the title to any of the Property, Mortgagor agrees to promptly commence and thereafter diligently proceed to cure the defect and defend the title. If any lien or encumbrance junior, equal or superior in rank or priority to the lien of this Deed of Trust should be discovered or arise at any time in the future then, unless Mortgagee is the only holder of it, or Mortgagee has given specific prior written consent to it, Mortgagor agrees to promptly discharge and remove it from the Collateral. Mortgagor will notify Mortgagee in writing within five (5) days of the time that Mortgagor becomes aware of the filing of any mortgage, lien, security interest, financing statement or other security device whatsoever against the Property.

(d) Mortgagee's Rights to Collect Insurance Proceeds. Mortgagor hereby assigns to Mortgagee the exclusive right to collect any and all monies that may become payable under any insurance policies covering any part of the Property, or any risk to or about the Property.

(e) Effects of Foreclosure on Insurance Policies and Post-foreclosure Event Claims. Foreclosure of this Deed of Trust shall automatically constitute foreclosure upon all policies of insurance insuring any part of or risk to the Property and all claims thereunder arising from post-foreclosure events. The successful bidder or bidders for the Property at foreclosure, as their respective interests may appear, shall automatically accede to all of Mortgagor's rights in, under and to such policies and all post-foreclosure event claims, and such bidder(s) shall be named as insured(s) on request, whether or not the trustee's deed or bill of sale to any such successful bidder mentions insurance.

(f) Application of Insurance Proceeds Collected Before Foreclosure. Subject to the provisions of any Related Loan Documents, unless an Event of Default has occurred and so long as Mortgagor has certified to Mortgagee that the applicable proceeds (together with other funds deposited with Mortgagee by or on behalf of Mortgagor for the purpose of repair and restoration of the applicable damage or destruction) are sufficient to pay all costs of repair and restoration of the applicable damage or destruction, Mortgagee will hold all proceeds of insurance which was paid for by Mortgagor or by anyone other than Mortgagee or another holder of any of the Debt and which proceeds are actually received by Mortgagee before foreclosure (and such other funds deposited with Mortgagee) and will disburse the same as such repairs or restoration are made, in accordance with the terms of the Master Indenture and the Related Loan Document, and upon presentation of satisfactory evidence to Mortgagee that payment is being requested for permissible repair and restoration and without the imposition of any lien on the Property. Any insurance proceeds remaining if an Event of Default occurs, or after completion of the repair and restoration shall be applied in accordance with the terms of the Related Loan Documents.

(g) Application of Insurance Proceeds Collected After Foreclosure. Unless Mortgagee or Mortgagee's representative reserves at the foreclosure sale the right to collect any uncollected insurance proceeds recoverable for events occurring before foreclosure (in which event the successful bidder at the sale, if not Mortgagee, shall have no interest in such proceeds and Mortgagee shall apply them, if and when collected, to the Debt in accordance with the terms of the Master Indenture and the Related Loan Documents and remit any remaining balance to Mortgagor or to such other person or entity as is legally entitled to them), all proceeds of all such insurance which are not so reserved by Mortgagee at the foreclosure sale and are not actually received by Mortgagee until after foreclosure shall be the property of the successful bidder or bidders at foreclosure, as their interests may appear, and Mortgagor shall have no interest in them and shall receive no credit for them.

(h) Mortgagee Not Obligated to Require, Provide or Evaluate Insurance. Mortgagee shall have no duty to Mortgagor or anyone else to either require or provide any insurance or to determine the adequacy or disclose any inadequacy of any insurance.

(i) Mortgagee May Elect to Insure Only its Own Interests. If Mortgagee elects at any time or for any reason to purchase insurance relating to the Property, it shall have no obligation to cause Mortgagor or anyone else to be named as an insured, to cause Mortgagor's or anyone else's interests to be insured or protected or to inform Mortgagor or anyone else that his or its interests are uninsured or underinsured.

(j) Mortgagor Will Correct Defects, Provide Further Assurances and Papers.

Upon Mortgagee's request, Mortgagor will promptly correct any defect which hereafter may be discovered in the text, execution or acknowledgment of the Notes, this Deed of Trust or any Credit Document or in the description of any of the Property, and will deliver such further assurances and execute such additional papers as in the opinion of Mortgagee or its legal counsel shall be necessary, proper or appropriate (1) to better convey and assign to the Mortgage Bond Trustee and Mortgagee all the Property intended or promised to be conveyed or assigned or (2) to properly evidence or give notice of the Debt or its intended or promised security.

(k) Mortgagor Will Pay Taxes and Impositions and Furnish Receipts. At

Mortgagor's own cost and expense, Mortgagor agrees to pay and discharge all taxes, assessments, maintenance charges, permit fees, impact fees, development fees, capital recovery charges, utility reservation and standby fees and all other similar and dissimilar impositions of every kind and character ("**Impositions**") charged, levied, assessed or imposed against any interest in any of the Property, as they become payable and before they become delinquent. Mortgagor agrees to furnish due proof of such payment to Mortgagee promptly after payment and before delinquency.

(l) Mortgagor to Pay Monthly Tax and Insurance Deposits on Request. If and

after Mortgagee requests it, Mortgagor agrees to pay the monthly tax and insurance premium deposits required by Article 8 and to provide Mortgagee any additional sums needed to pay the taxes and insurance premiums for the Property when due.

(m) Mortgagor Will Maintain Property and Won't Remove Improvements.

Mortgagor agrees to keep, preserve and maintain all elements of the Property in a good state of repair and condition and to keep all equipment and stores of supplies needed for its proper and full operation on the Property, well stocked and in good operating condition. Mortgagor will not tear down, damage or attempt to remove, demolish or materially alter or enlarge any elements of the Property, or construct any new Improvements, without Mortgagee's prior written consent. Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien, assignments and security interests of this Deed of Trust, such Fixtures and Equipment as from time to time become worn out or obsolete, provided that either (a) simultaneously with or before such removal any such equipment shall be replaced with other equipment of a value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrance and from any reservation of title, and by such removal and replacement Mortgagor shall be deemed to have subjected such equipment to the lien, assignments and security interests of this Deed of Trust or (b) any net cash proceeds received from such disposition shall be paid over promptly to Mortgagee to be applied to the Debt in the order determined by Mortgagee in its sole discretion. Mortgagor shall not grant, join in or consent to any lien, security interest, easement, license, use or other charge or interest covering or affecting all or any part of the Property or initiate, join in and consent to the change in any private restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses which may be made of the Property or any part thereof without the prior written consent of Mortgagee.

(n) Mortgagor Will Protect Property from Mechanic's Liens. Mortgagor agrees

to promptly pay all bills for labor and materials incurred in connection with the Property and to prevent the fixing of any lien against any part of the Property, even if it is inferior to this Deed of

Trust, for any such bill which may be legally due and payable. Mortgagor agrees to furnish due proof of such payment to Mortgagee after payment and before delinquency.

(o) Mortgagee's Inspection and Discussion Rights. Mortgagor agrees to permit Mortgagee and its agents, representatives and employees at all reasonable times to go upon, examine, inspect and remain on the Collateral, to assist and cooperate, and require Mortgagor's employees, agents and contractors to cooperate, with Mortgagee and to furnish to Mortgagee on request all pertinent information concerning the physical and economic condition, development and operation of the Collateral. Mortgagee may discuss the Collateral directly with any of Mortgagor's officers and managers.

(p) Mortgagee May Grant Releases without Impairing Other Collateral or Rights. Subject to the provisions of the Master Indenture and the Related Bond Documents, Mortgagee shall have the right to release any part of the Property or any other security from this Deed of Trust or any other security instrument or device without releasing any other part of the Property or any other security, without affecting Mortgagee's lien, assignment or security interest as to any property or rights not released and without affecting or impairing the liability of any maker, guarantor or surety on the Notes or other obligation.

(q) Mortgagor Will Notify Mortgagee of Legal Proceedings and Defend Lien; Mortgagee May Act if Mortgagor Does Not. Mortgagor will notify Mortgagee in writing promptly of the commencement of any legal proceedings affecting any part of the Property and will engage and pay legal counsel to answer and to defend and preserve Mortgagee's liens, rights and interests and their rank and priority. If Mortgagor fails or refuses to promptly begin or to diligently continue any such acts, then Mortgagee may elect to do so and may take such action on behalf of Mortgagor, in Mortgagor's name and at Mortgagor's expense.

(r) Vendor's Lien and Purchase Money Security Interest. Mortgagor agrees that to the full extent that any of the proceeds of the Notes have been or are paid or applied towards the purchase of any real or personal property, it shall be conclusively presumed to have been done at Mortgagor's special instance and request, and Mortgagor hereby acknowledges and recognizes the existence of a vendor's lien and a purchase money security interest in favor of Mortgagee against such property, as security for the Notes in addition to and cumulative of the lien, assignments and security interest of this Deed of Trust, in the same manner in the case of real property as if an express vendor's lien and the superior title had been reserved in the deed from the seller of such property and expressly therein assigned by the seller to Mortgagee. Foreclosure under this Deed of Trust shall also constitute foreclosure of said vendor's lien or purchase money security interest.

(s) Legal Compliance, Governmental Notices. Mortgagor will operate the Property and conduct its business in full compliance with all requirements of governmental and quasi-governmental authorities having jurisdiction over Mortgagor or the Property and will comply with and punctually perform all of the covenants, agreements and obligations imposed upon it or the Property. Mortgagor will furnish to Mortgagee copies of notices and reports received or sent by Mortgagor to or from each governmental and quasi-governmental authority within three (3) days of the receipt or giving thereof.

(t) Notice of Default to Mortgagee. Immediately upon acquiring knowledge thereof, Mortgagor will notify Mortgagee by telephone (and confirm such notice in writing within two (2) days) of the existence of any Event of Default, specifying the nature and duration thereof and what action Mortgagor has taken, is taking and proposes to take with respect thereto. In no event shall silence by Mortgagee be deemed a waiver of a default or of an Event of Default. Mortgagor will take all such steps as are necessary or appropriate to remedy promptly any such default or Event of Default. For the avoidance of doubt, Mortgagee shall not be required to take notice or be deemed to have notice of any Event of Default under this Deed of Trust unless the Mortgagee shall be specifically notified of such Event of Default in writing by Mortgagor or the Holder of any Related Notes, and in the absence of such notice Mortgagee may conclusively assume that no Event of Default exists, subject to the terms of Section 703(h) of the Master Indenture.

(u) Notice of Condemnation and Other Proceedings. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, or any other proceedings arising out of injury or damage to the Property or any portion thereof, Mortgagor will notify Mortgagee in writing of the pendency of such proceedings. Mortgagee may participate in any such proceedings, and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by it to permit such participation. Mortgagor shall, at its expense, diligently prosecute any such proceedings, and shall consult with Mortgagee, its attorneys and experts, and cooperate with them in the carrying on or defense of any such proceedings.

(v) Manager. Mortgagor will, or will cause its managers to, do and perform any and all acts and things relating to the management, upkeep and operation of the Property as are customarily performed by managing agents and owners of properties comparable to the Property, similarly situated, and shall otherwise operate the Property, or cause the Property to be operated, in a first-class efficient manner and in accordance with all legal requirements and the terms and conditions of this Deed of Trust and the other Credit Documents. No management agreement shall be executed with any manager unless the manager and management agreement are previously approved in writing by Mortgagee.

Section 4.02 Mortgagor Agrees to Pay or Reimburse Mortgagee's Expenses. To the extent not prohibited by applicable law, Mortgagor will pay all costs and expenses and reimburse Mortgagee for any and all expenditures of every character incurred or expended from time to time, regardless of whether an Event of Default shall have occurred, in connection with:

(a) the preparation, negotiation, documentation, closing, renewal, revision, modification, increase, review or restructuring of any loan or credit facility secured by this Deed of Trust, including legal, accounting and inspection services and disbursements, or in connection with collecting or attempting to enforce or collect the Notes or this Deed of Trust.

(b) Mortgagee's evaluating, monitoring, administering and protecting the Property.

(c) Mortgagee's creating, perfecting and realizing upon Mortgagee's security interest in and liens on the Property, and all costs and expenses relating to Mortgagee's exercising

any of its rights and remedies under this Deed of Trust or any Credit Document or at law, including all appraisal fees, consulting fees, filing fees, taxes, brokerage fees and commissions, title review and abstract fees, litigation report fees, UCC search fees, other fees and expenses incident to title searches, reports and security interests, escrow fees, attorneys' fees, legal expenses, court costs, other fees and expenses incurred in connection with any complete or partial liquidation of the Property, and all fees and expenses for any professional services relating to the Property or any operations conducted in connection with it; provided, that no right or option granted by Mortgagor to Mortgagee or otherwise arising pursuant to any provision of this Deed of Trust, the Notes or any Credit Document shall be deemed to impose or admit a duty on Mortgagee to supervise, monitor or control any aspect of the character or condition of the Property or any operations conducted in connection with it for the benefit of Mortgagor or any person or entity other than Mortgagee. Mortgagor agrees to indemnify, defend (at trial and appellate levels and with attorneys, consultants and experts reasonably acceptable to Mortgagee) and hold Mortgagee, its shareholders, directors, officers, agents, attorneys, advisors, employees and the Mortgage Bond Trustee, its heirs, administrators and successors (collectively "**Indemnified Parties**") harmless from and against any and all loss, liability including strict liability, obligation, damage, penalty, judgment, claim, deficiency, expense, action, suit, cost, proceedings, investigations, injuries, liens, citations, litigation, assessments, fines, fees, charges and disbursement of any kind or nature whatsoever (including, without limitation, interest, penalties, attorneys' fees, amounts paid in settlement, costs of remediation, engineers' fees, consultants' fees and experts' fees), imposed on, incurred by or asserted against the Indemnified Parties growing out of, resulting from or related to the Collateral, this Deed of Trust or any Credit Document or any transaction or event contemplated therein (except that such indemnity shall not be paid to any Indemnified Party to the extent that such loss, etc. directly results from the gross negligence or willful misconduct of that Indemnified Party). If any person or entity (including Mortgagor or any of its affiliates) ever alleges gross negligence or willful misconduct by an Indemnified Party, the full amount of indemnification provided for in this Section shall nonetheless be paid upon demand, subject to later adjustment or reimbursement at such time, if any, as a court of competent jurisdiction enters a final judgment as to the extent and effect of the alleged gross negligence or willful misconduct. Any amount to be paid under this Section by Mortgagor to Mortgagee shall be a demand obligation owing by Mortgagor to Mortgagee and shall bear interest from the date of expenditure until paid at the Past Due Rate. Such indemnification shall survive the termination and release of this Deed of Trust.

THE INDEMNIFICATION OF AN INDEMNIFIED PARTY PROVIDED IN THIS SECTION 4.02(c) SHALL REMAIN IN FULL FORCE AND EFFECT NOTWITHSTANDING THE FACT THAT ANY CLAIM FOR LIABILITIES DIRECTLY OR INDIRECTLY RESULTS FROM, ARISES OUT OF, OR RELATES TO, OR IS ASSERTED TO HAVE RESULTED FROM, ARISEN OUT OF, OR RELATE TO, THE SOLE OR CONTRIBUTORY NEGLIGENCE (BUT NOT GROSS NEGLIGENCE) OF ANY SUCH INDEMNIFIED PARTY.

ARTICLE 5

MORTGAGOR'S REPRESENTATIONS AND WARRANTIES

To induce Mortgagee to extend financial accommodations, including credit under the Notes, Mortgagor makes the warranties and representations set forth in this Article.

Section 5.01 Mortgagor Solvent. Mortgagor is now solvent, and no bankruptcy or insolvency proceedings are pending or contemplated by or, to Mortgagor's knowledge, against Mortgagor. Mortgagor's liabilities and obligations under this Deed of Trust and any other Credit Documents to which Mortgagor is a party do not and will not render Mortgagor insolvent, cause Mortgagor's liabilities to exceed Mortgagor's assets or leave Mortgagor with too little capital to properly conduct all of its business as now conducted or contemplated to be conducted.

Section 5.02 No False Representation. No representation or warranty contained in this Deed of Trust or any other Credit Document to which Mortgagor is a party and no statement contained in any certificate, schedule, list, financial statement or other papers furnished to Mortgagee by or on behalf of Mortgagor contains, or will contain, any untrue statement of material fact, or omits, or will omit, to state a material fact necessary to make the statements contained herein or therein not misleading.

Section 5.03 Title. Mortgagor has good and indefeasible title to the Property, free and clear of any lien or security interest except only for liens and security interests which are either established or expressly permitted by this Deed of Trust or other Credit Documents. Except as otherwise expressly permitted by this Deed of Trust, the lien and security interest of this Deed of Trust will constitute valid and perfected first and prior liens and security interests on the Property, subject to no other liens, security interests or charges whatsoever. The Property is free from damage caused by fire or other casualty.

Section 5.04 Regulation U. Except as disclosed to Mortgagee in writing prior to the date of this Deed of Trust, none of the proceeds of the Notes or the other Debt will be used for the purpose of purchasing or carrying, directly or indirectly, any margin stock or for any other purpose which would make such credit a "purpose credit" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System.

Section 5.05 ERISA. No event has occurred which could result in Mortgagor's liability to the Pension Benefit Guaranty Corporation. Mortgagor has met all requirements with respect to funding of each plan (a "**Plan**") maintained for any of Mortgagor's employees subject to Title IV of the Employee Retirement Benefit Act of 1974, as amended, and related regulations ("**ERISA**"), if any exists. No event or condition has occurred that would permit any lien under ERISA to attach to any of the Property.

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.01 Release for Full Payment and Performance. Subject to the automatic reinstatement provisions of Section 10.17 below, this Deed of Trust shall terminate and be of no further force or effect upon full payment of the Debt, complete performance of all of the obligations of the Obligor under the Credit Documents and final termination of Mortgagee's obligations, if any, to make any further advances under the Notes or to provide any other financial accommodations to any Obligor; and subject to the Mortgagee's receipt of a timely written request form of the Mortgagor requesting a release of this Deed of Trust, Mortgagee shall execute a recordable form of a release for this Deed of Trust as provided by Mortgagee and provide same to Mortgagor within 30 days of Mortgagor's satisfaction of the above-referenced items.

Section 6.02 Events of Default. The occurrence of any of the following events shall constitute an Event of Default (herein so called) under this Deed of Trust:

(a) Mortgagor shall fail or refuse to pay all or any portion of the Debt when due, subject to any grace periods applicable to such payments in the documents evidencing such Debt.

(b) Mortgagor shall fail to perform or to fulfill in a timely manner any other requirement of the Debt, including specifically, but not limited to, the covenants and obligations of Mortgagor contained in this Deed of Trust, subject to any applicable grace periods contained in this Deed of Trust or the documents evidencing and securing the Debt.

(c) any warranty or representation of Mortgagor set forth in this Deed of Trust shall be false, misleading or erroneous in any material respect when made or deemed made.

(d) Mortgagor shall become insolvent, be the subject of an order for relief, or a custodian, receiver, or other such officer of its property be appointed, or should any liquidation, reorganization, arrangement, or other proceeding under any bankruptcy law or other law for the relief of debtors be requested by or instituted against Mortgagor and, in the case of any such proceeding that is involuntary as to Mortgagor, the same is not dismissed or discharged within ninety (90) days thereafter.

(e) any "Event of Default" as defined in any Related Loan Documents or Related Bond Indenture.

(f) except as otherwise permitted under the Related Loan Documents, any condemnation proceeding is commenced relating to all or, in the judgment of Mortgagee, any material part of, the Property.

(g) any substantial damage to or destruction of the Property occurs and insurance proceeds (together with other funds deposited with Mortgagee by or on behalf of Mortgagor for the purpose of repair and restoration of such damage or destruction, if any) are not sufficient to repair and restore the Property as determined by the procedures set forth in any Related Loan Documents, or if insurance proceeds are not paid within a reasonable time.

(h) the sale, encumbrance or abandonment (except as otherwise expressly agreed to in writing by Mortgagee) of the Property or the making of any levy, seizure or attachment of or on the Property.

(i) an event of default (however denominated) shall occur under any Credit Document, unless such default, event of default or similar event is fully cured within any applicable cure period agreed to in writing by Mortgagee.

Section 6.03 Remedies. Subject, to the extent applicable, to Section 12.128 of the Texas Education Code, as amended, upon the occurrence of any Event of Default, and at any time thereafter:

(a) Debt Due. All Debt in its entirety shall, at the option of Mortgagee, become immediately due and payable without presentment, demand, notice of intention to accelerate or notice of acceleration, or other notice of any kind, all of which are hereby expressly WAIVED, and the liens and security interests created or intended to be created hereby shall be subject to foreclosure, repossession and sale in any manner provided for herein or provided for by law, as Mortgagee may elect, and Mortgagee may exercise any and all of its rights under this Deed of Trust, the Notes and any of the other Credit Documents.

(b) Legal Proceedings. Mortgage Bond Trustee and Mortgagee shall have the right and power to proceed by suit or suits in equity or at law, whether for the specific performance of any covenant or agreement of Mortgagor contained herein or in aid of the execution of the powers herein granted, or for foreclosure or the sale of the Property or any part thereof under the judgment or decree of any court of competent jurisdiction, or for the enforcement of any other appropriate legal or equitable remedy.

(c) Mortgage Bond Trustee's Sale. It shall be the duty of the Mortgage Bond Trustee and of his successors and substitutes in the Trust, on Mortgagee's request (which request is hereby presumed) to enforce the Trust by selling the Collateral as is provided in this Deed of Trust; provided, however, the Mortgage Trustee shall be under no obligation to enforce this Deed of Trust unless indemnified to its satisfaction, and under no circumstances will be required to do so if it will subject the Mortgage Trustee to environmental liability.

Section 6.04 Time and Place of Sale and Notices. The sale shall be a public sale at auction held between 10 A.M. and 4 P.M. of the first Tuesday of a month. The sale shall take place at the county courthouse in the county in which the Real Property is located, or if it is located in more than one county, the sale will be made at the courthouse in one of those counties. The sale shall occur at the area at that courthouse which the commissioners' court of that county has designated as the place where such sales are to take place by designation recorded in the real property records of that county, or if no area is so designated, then the notice of sale shall designate the area at the courthouse where the sale covered by that notice is to take place, and the sale shall occur in that area. Notice of the sale shall include a statement of the earliest time at which the sale will occur and shall be given at least twenty-one (21) days before the date of the sale (1) by posting at the courthouse door of each county in which the Real Property is located a written notice designating the county in which the Real Property will be sold, (2) by filing in the Office of the County Clerk of each county in which the Real Property is located a copy of the notice posted under subsection (1) above and (3) by the holder of the Debt to which the power of sale is related serving written notice of the sale by certified mail on each debtor who, according to the records of a holder of the Debt, is obligated to pay that Debt. The sale shall begin at the time stated in the notice of sale or not later than three (3) hours after that time. If and to the extent that Texas Property Code Section 51.002 requires it, if any of the Real Property to be sold is used as a debtor's residence, a holder of the Debt shall serve that debtor with written notice by certified mail stating that debtor is in default under this Deed of Trust, and that debtor shall have at least twenty (20) days to cure the default before the entire Debt is due and notice of sale is given. Service of any notice under this Section by certified mail is complete when the notice is deposited in the United States mail, postage prepaid and addressed to the debtor entitled to it at that debtor's last known address as shown by the records of a holder of the Debt. The affidavit of a person knowledgeable of the facts to the effect that service was completed is prima facie evidence of service. After such written notice shall

have been posted and filed, as aforesaid, and such notice shall have been served upon such debtor or debtors, as aforesaid, the Mortgage Bond Trustee (or his successor or substitute then acting) shall perform his duty to enforce the Trust by selling the Collateral, either as an entirety or in parcels as the Mortgage Bond Trustee acting may elect, all rights to a marshalling of assets or sale in inverse order of alienation being waived, as aforesaid to the highest bidder or bidders for cash, and make due conveyance to the purchaser or purchasers, with general warranty, and the title to such purchaser or purchasers, when so made by the Mortgage Bond Trustee acting, Mortgagor binds itself, its successors and assigns, to warrant and forever defend against the claims and demands of every person whomsoever lawfully claiming or to claim the same or any part thereof (such warranty to supersede any provision contained in this Deed of Trust limiting the liability of Mortgagor). The provisions of this Deed of Trust with respect to posting and giving notices of sale are intended to comply with the provisions of Section 51.002 of the Texas Property Code, and in the event the requirement for any notice under such Section 51.002 shall be eliminated or the prescribed manner of giving it shall be modified by future amendment to, or adoption of any statute superseding, such Section 51.002, the requirement for such particular notice shall be deemed stricken from or modified in of this Deed of Trust in conformity with such amendment or superseding statute, effective as of its effective date. The manner prescribed in this Deed of Trust for serving or giving any notice, other than that to be posted or caused to be posted by the Mortgage Bond Trustee acting, shall not be deemed exclusive but such notice or notices may be given in any other manner permitted by applicable law. Said sale shall forever be a bar against Mortgagor, its heirs, legal representatives, successors and assigns, and all other persons claiming under it. It is expressly agreed that the recitals in each conveyance to the purchaser shall be full evidence of the truth of the matters therein stated, and all lawful prerequisites to said sale shall be conclusively presumed to have been performed. Mortgage Bond Trustee may require minimum bids at any foreclosure sale and may cancel and abandon the sale if no bid is received equal to or greater than any such minimum bid.

Section 6.05 Application of Foreclosure Sale Proceeds. The proceeds of any sale of the Collateral, and any rents and other amounts collected by Mortgagee from Mortgagee's holding, leasing, operating or making any other use of the Collateral, shall be applied by Mortgagee (or by the receiver, if one is appointed) to the extent that funds are available therefrom in accordance with Section 606 of the Master Indenture.

Section 6.06 Mortgagee May Require Abandonment and Recommencement of Sale. If the Mortgage Bond Trustee or his substitute or successor should commence the sale, Mortgagee may at any time before the sale is completed direct the Mortgage Bond Trustee to abandon the sale, and may at any time or times thereafter direct the Mortgage Bond Trustee to again commence foreclosure; or, irrespective of whether foreclosure is commenced by the Mortgage Bond Trustee, Mortgagee may at any time after an Event of Default institute suit for collection of the Debt or foreclosure of this Deed of Trust. If Mortgagee should institute suit for collection of the Debt or foreclosure of this Deed of Trust, Mortgagee may at any time before the entry of final judgment dismiss it and require the Mortgage Bond Trustee to sell the Collateral in accordance with the provisions of this Deed of Trust.

Section 6.07 Multiple Sales; Deed of Trust Continues in Effect. No single sale or series of sales by the Mortgage Bond Trustee or by any substitute or successor and no judicial foreclosure shall extinguish the lien or exhaust the power of sale under this Deed of Trust except with respect

to the items of property sold, nor shall it extinguish, terminate or impair Mortgagor's contractual obligations under this Deed of Trust, but such lien and power shall exist for so long as, and may be exercised in any manner by law or in this Deed of Trust provided as often as the circumstances require to give Mortgagee full relief under this Deed of Trust, and such contractual obligations shall continue in full force and effect until final termination of this Deed of Trust.

Section 6.08 Mortgagee May Bid and Purchase. Mortgagee shall have the right to become the purchaser at any sale made under this Deed of Trust, being the highest bidder, and credit given upon all or any part of the Debt shall be the exact equivalent of cash paid for the purposes of this Deed of Trust.

Section 6.09 Successor or Substitute Mortgage Bond Trustee. In case of absence, death, inability, refusal or failure of the Mortgage Bond Trustee in this Deed of Trust named to act, or in case he should resign (and he is hereby authorized to resign without notice to or consent of Mortgagor), or if Mortgagee shall desire, with or without cause, to replace the Mortgage Bond Trustee in this Deed of Trust named, or to replace any successor or substitute previously named, Mortgagee or any agent or attorney-in-fact for Mortgagee may name, constitute and appoint a successor and substitute trustee (or another one) without other formality than an appointment and designation in writing, which need not be acknowledged, filed or recorded to be effective, except only in those circumstances, if any, where acknowledgment, filing and/or recording is required by applicable law and such law also precludes Mortgagor from effectively waiving such requirement. Upon such appointment, this conveyance shall automatically vest in such substitute trustee, as Mortgage Bond Trustee, the estate in and title to all of the Collateral, and such substitute Trustee so appointed and designated shall thereupon hold, possess and exercise all the title, rights, powers and duties in this Deed of Trust conferred on the Trustee named and any previous successor or substitute Mortgage Bond Trustee, and his conveyance to the purchaser at any such sale shall be equally valid and effective as if made by the Mortgage Bond Trustee named in this Deed of Trust. Such right to appoint a substitute Mortgage Bond Trustee shall exist and may be exercised as often and whenever from any of said causes, or without cause, as aforesaid, Mortgagee or Mortgagee's agent or attorney-in-fact elects to exercise it.

Section 6.10 Right to Receiver. Upon the occurrence of an Event of Default or at any time after commencement of a Mortgage Bond Trustee's foreclosure sale or any legal proceedings under this Deed of Trust, Mortgagee may, at Mortgagee's election and by or through the Mortgage Bond Trustee or otherwise, make application to a court of competent jurisdiction for appointment of a receiver of the Property, as a matter of strict right, without notice to Mortgagor and without regard to the adequacy of the value of the Property for the repayment of the Debt, and Mortgagor hereby irrevocably consents to such an appointment. Any receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to possess, rent, maintain, repair and operate the Property upon such terms and conditions as may be approved by the court, and shall apply the rents realized in the same manner and order as foreclosure proceeds in accordance with Section 6.05.

Section 6.11 Tenants at Will. Mortgagor agrees for itself and its heirs, legal representatives, successors and assigns, that if any of them shall hold possession of the Property or any part thereof subsequent to foreclosure hereunder, Mortgagor, or the parties so holding possession, shall become and be considered as tenants at will of the purchaser or purchasers at

such foreclosure sale; and any such tenant failing or refusing to surrender possession upon demand shall be guilty of forcible detainer and shall be liable to such purchaser or purchasers for rental on said premises, and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, all damages which may be sustained by any such tenant as a result thereof being hereby expressly waived.

Section 6.12 Lifting of Automatic Stay. In the event that Mortgagor or any other Obligor is the subject of any insolvency, bankruptcy, receivership, dissolution, reorganization or similar proceeding, federal or state, voluntary or involuntary, under any present or future law or act, Mortgagee is entitled to the automatic and absolute lifting of any automatic stay as to the enforcement of its remedies under the Credit Documents against the security for the Debt, including specifically the stay imposed by Section 362 of the United States Federal Bankruptcy Code, as amended. Mortgagor hereby consents to the immediate lifting of any such automatic stay and will not contest any motion by Mortgagee to lift such stay. Mortgagor expressly acknowledges that the security for the Debt is not now and will never be necessary to any plan of reorganization of any type.

ARTICLE 7

MORTGAGEE'S RIGHT TO PERFORM MORTGAGOR'S OBLIGATIONS

Section 7.01 Mortgagee May Elect to Perform Defaulted Obligations. If Mortgagor should fail to comply with any of its agreements, covenants or obligations under this Deed of Trust, the Notes, or any other Credit Document, then Mortgagee (in Mortgagor's name or in Mortgagee's own name) may perform them or cause them to be performed for Mortgagor's account and at Mortgagor's expense, but shall have no obligation to perform any of them or cause them to be performed. Any and all expenses thus incurred or paid by Mortgagee shall be Mortgagor's obligations to Mortgagee due and payable on demand, or if no demand is sooner made, then they shall be due on or before four (4) years after the respective dates on which they were incurred, and each shall bear interest from the date Mortgagee pays it until the date Mortgagor repays it to Mortgagee, at the maximum nonusurious rate of interest from time to time permitted by whichever of applicable Texas or federal law from time to time permits the higher nonusurious interest rate (the "**Ceiling Rate**"), or, only if applicable law imposes no maximum nonusurious rate, then at the same rate as is provided for in the Notes for interest on past due principal (the "**Past Due Rate**"). At all times, if any, as the Texas Finance Code shall establish the Ceiling Rate for any purpose under this Deed of Trust, the Ceiling Rate shall be the "weekly ceiling" as defined in the Texas Finance Code from time to time in effect. Upon making any such payment or incurring any such expense, Mortgagee shall be fully and automatically subrogated to all of the rights of the person, corporation or body politic receiving such payment. Any amounts owing by Mortgagor to Mortgagee pursuant to this or any other provision of this Deed of Trust shall automatically and without notice be and become a part of the Debt and shall be secured by this and all other instruments securing the Debt. The amount and nature of any such expense and the time when it was paid shall be fully established by the affidavit of Mortgagee or any of Mortgagee's officers or agents or by the affidavit of any original, substitute or successor Mortgage Bond Trustee acting under this Deed of Trust. Without notice to Mortgagor or any other person or entity, the Ceiling Rate and the Past Due Rate shall automatically fluctuate upward and downward as and in any amount by which the maximum nonusurious rate of interest permitted by such applicable law and

the rate of interest as provided for in the Notes for interest on past due principal fluctuate, respectively.

Section 7.02 Exercise of Rights is not Waiver or Cure of Default. The exercise of the privileges granted to Mortgagee in this Article shall in no event be considered or constitute a cure of the default or a waiver of Mortgagee's right at any time after an Event of Default to declare the Debt to be at once due and payable, but is cumulative of such right and of all other rights given by this Deed of Trust, the Notes and the Credit Documents and of all rights given Mortgagee by law.

ARTICLE 8 TAX AND INSURANCE DEPOSITS

In addition to the Debt payments, subject to the provisions of any Related Loan Documents, if Mortgagor fails to pay its insurance payments when due, promptly after Mortgagee requests it, Mortgagor agrees to deposit with Mortgagee each month an amount equal to one twelfth (1/12) of the aggregate of (i) the next succeeding premiums (or payments in respect of them, if premiums are financed) on all insurance policies which Mortgagor is required by or pursuant to this Deed of Trust and the Credit Documents to maintain on the Property, and (ii) the amount of the next succeeding annual tax payments, assessment installments, maintenance charges and other Impositions to become due and payable with respect to the Property, as estimated by Mortgagee, plus, with the first of such monthly deposits, an additional month's share (a twelfth) of such premiums and taxes for each month less than twelve remaining before the next payment thereof falls due. At least fifteen (15) days before the date on which any such insurance premium (or payment in respect of it, if premiums are financed) or any of the Impositions must be paid to avoid delinquency, promptly after Mortgagee's request, Mortgagor agrees to deliver to Mortgagee a statement or statements showing the amount of the premium (or payment in respect of it, if premiums are financed) or Impositions required to be paid and the name and mailing address of the concern or authority to which it is payable and, at the same time, Mortgagor agrees to deposit with Mortgagee such amounts as will, when added to the amount of such deposits previously made and then remaining available for the purpose, be sufficient to pay such insurance obligations or Impositions. Mortgagee shall have the right to and will, if, as and when requested in writing by Mortgagor to do so, apply such deposits in payment of such insurance obligations and Impositions.

ARTICLE 9 ASSIGNMENT OF RENTS

Section 9.01 Assignment of Rents, Revenues, Income and Profits. Mortgagor hereby assigns and transfers to Mortgagee all rents, revenues, income and profits ("**Rental**") payable under each Lease (hereinafter defined) now or at any time hereinafter existing, such assignment being upon the terms set forth in Section 9.02 below. The term "**Lease**" or "**Leases**" means any oral or written agreement between Mortgagor and another person or entity to use or occupy all or any portion of the Property, together with any guaranties or security for the obligations of any tenant, lessee, sublessee or other person or entity having the right to occupy, use or manage any part of the Property under a Lease. The definition of Leases shall include all "Leases" as defined or described in Chapter 64 "Assignment of Rents to Lienholder" of the Texas Property Code, commonly referred to as the Texas Assignment of Rents Act (the "**TARA**"), and the definition of Rents shall include all "Rents" as defined in TARA. Furthermore, it is the intent of the parties to

comply with the requirements of TARA in connection with the assignment of Rents and Leases. Accordingly, the enforcement of rights related to the assignment of Rents and Leases shall be subject to compliance with the provisions of TARA, including, without limitation, the notice requirements of Sections 64.054, 64.055(a) and 64.056 of the Texas Property Code. Each time Mortgagor enters into a Lease, such Lease shall automatically become subject to this Article without further action.

Section 9.02 Assignment is Absolute; Grant of Revocable License to Mortgagor to Collect Rental Before an Event of Default. The transfer of Rental to Mortgagee shall be upon the following terms: (a) until receipt from Mortgagee of notice of the occurrence of an Event of Default, Mortgagor shall have the right under a retained and reserved license (but limited as provided herein) to collect Rental and each tenant may pay Rental directly to Mortgagor; but after an Event of Default, Mortgagor's license shall automatically terminate and be revoked and to the extent Mortgagor collects any Rental thereafter accruing or paid, Mortgagor covenants to hold all such Rental in trust for the use and benefit of Mortgagee; (b) upon receipt from Mortgagee of notice that an Event of Default exists, each tenant is hereby authorized and directed to pay directly to Mortgagee all Rental thereafter accruing or payable and receipt of Rental by Mortgagee shall be a release of such tenant to the extent of all amounts so paid; (c) Rental so received by Mortgagee shall be applied by Mortgagee, first to the expenses, if any, of collection and then in accordance with Section 6.05 hereof; (d) without impairing its rights hereunder, Mortgagee may, at its option, at any time and from time to time, release to Mortgagor Rental so received by Mortgagee, or any part thereof; (e) Mortgagee shall not be liable for its failure to collect or its failure to exercise diligence in the collection of Rental, but shall be accountable only for Rental that it shall actually receive; and (f) the assignment contained in this Article shall terminate upon the release of this Deed of Trust, but no tenant shall be required to take notice of termination until a copy of such release shall have been delivered to such tenant. The assignment contained in this Article is intended to be absolute, unconditional and presently effective. It shall never be necessary for Mortgagee to institute legal proceedings of any kind whatsoever to enforce the provisions of this Article. It is agreed that any Rental retained and reserved by Mortgagor pursuant to the aforementioned license will not constitute a payment by the Mortgagor to Mortgagee of any portion of the Debt (and hence will not be credited to the Debt) until the Rental is actually paid to the Mortgagee and retained by the Mortgagee and then, in such event, the Rental so received shall be applied in accordance with Section 9.03.

Section 9.03 Remedies. Subject to Section 10.24 hereof, should an Event of Default occur, Mortgagor agrees to deliver to Mortgagee possession and control of all Rental held by Mortgagor in trust for the benefit of Mortgagee. Mortgagor specifically agrees that Mortgagee may, upon the occurrence of any Event of Default or at any time thereafter, personally or through an agent selected by Mortgagee, take, or have the Mortgage Bond Trustee take, possession and control of all or any part of the Property and may receive and collect all Rental theretofore accrued and all thereafter accruing therefrom until the final termination of this Deed of Trust or until the foreclosure of the lien of this Deed of Trust, applying so much thereof as may be collected before sale of the Property by the Mortgage Bond Trustee or judicial foreclosure of this Deed of Trust first to the expenses of Mortgagee incurred in obtaining the Rental and then applying the Rental so received in accordance with the provisions of Section 6.05 hereof. Any such action by Mortgagee shall not operate as a waiver of the Event of Default in question, or as an affirmation of any Lease or of the rights of any tenant in the event title to that part of the Property covered by the

Lease or held by the tenant should be acquired by Mortgagee or other purchaser at foreclosure sale. Mortgagee, Mortgagee's agent or the Mortgage Bond Trustee may use against Mortgagor or any other person such lawful or peaceable means as the person acting may see fit to enforce the collection of any such Rental or to secure possession of the Property, or any part of it and may settle or compromise on any terms as Mortgagee, Mortgagee's agent or the Mortgage Bond Trustee sees fit, the liability of any person or persons for any such Rental. In particular, Mortgagee, Mortgagee's agent or the Mortgage Bond Trustee may institute and prosecute to final conclusion actions of forcible entry and detainer, or actions of trespass to try title, or actions for damages, or any other appropriate actions, in the name of Mortgagee, Mortgagor, or the Mortgage Bond Trustee, and may settle, compromise or abandon any such actions as Mortgagee, Mortgagee's agent or the Mortgage Bond Trustee may see fit; and Mortgagor binds itself and its successors and assigns to take whatever lawful or peaceable steps Mortgagee, Mortgagee's agent or the Mortgage Bond Trustee may ask of it or any such person or concern so claiming to take for such purposes, including the institution and prosecution of actions of the character above stated. However, neither Mortgagee, Mortgagee's agent nor the Mortgage Bond Trustee shall be obligated to collect any such Rental or be liable or chargeable for failure to do so. Upon any sale of the Property or any part thereof in foreclosure of the lien or security interest created by this Deed of Trust, such Rental so sold which thereafter accrues shall be deemed included in such sale and shall pass to the purchaser free and clear of the assignment made in this Article. Nothing in this Section is intended to require the Mortgagee to institute any legal proceedings or engage in any self-help remedies in order to make the absolute assignment of the Rental to Mortgagee operative.

Section 9.04 Mortgagee in Possession; No Liability of Mortgagee. Mortgagee's acceptance of this assignment shall not, before entry upon and taking possession of the Property by Mortgagee, be deemed to constitute Mortgagee a "mortgagee in possession," nor obligate Mortgagee to appear in or defend any proceeding relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses or perform any obligation or liability under the Leases, or assume any obligation under the Leases including the obligation to return any deposit delivered to Mortgagor by any tenant. Mortgagee shall not be liable for any injury or damage to person or property in or about the Property. Neither the collection of Rental due under the Leases herein described nor possession of the Property by Mortgagee shall render Mortgagee liable with respect to any obligations of Mortgagor under any of the Leases.

Section 9.05 Additional Covenants, Warranties and Representations Concerning Leases and Rental. Mortgagor covenants, warrants and represents that:

(a) Neither Mortgagor nor any previous owner has entered into any prior oral or written assignment, pledge or reservation of the Rental, entered into any prior assignment or pledge of Mortgagor's landlord interests in any Lease or performed any act or executed any other instruments which might prevent or limit Mortgagee from operating under the terms and conditions of this Article;

(b) Mortgagor has good title to the Leases and Rental hereby assigned and the authority to assign same, and no other person or entity has any right, title or interest in and to the landlord's interests therein;

(c) All existing Leases are valid, unmodified and in full force and effect, except as indicated herein, and no default exists thereunder;

(d) No Rental has been, nor does Mortgagor anticipate that any Rental will be, waived, released, discounted, set off or compromised, except as disclosed to Mortgagee in writing before the date hereof;

(e) Except as disclosed to Mortgagee in writing before the date hereof, Mortgagor has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rental;

(f) Mortgagor shall (i) perform all of the terms and conditions of the Leases, (ii) upon Mortgagee's request, execute an additional assignment to Mortgagee of all Leases then affecting the Property and all Rental and other sums due thereunder by assignment(s) in form and substance satisfactory to Mortgagee, and (iii) at the request of Mortgagee, record such Leases and the assignment(s) thereof to Mortgagee. Mortgagor will not, without the prior written consent of Mortgagee, amend, modify, extend, renew, terminate, cancel or surrender any Lease or suffer or permit any of the foregoing, orally or in writing;

(g) Mortgagor shall not execute any Lease unless the form of the Lease has been approved by Mortgagee and the tenant under such Lease and the terms of such Lease shall comply with leasing standards for the Property from time to time approved by Mortgagee in writing;

(h) Mortgagor shall give immediate written notice to Mortgagee of any notice Mortgagor received from any tenant or subtenant under any Leases specifying any claimed default by any party under such Leases;

(i) Mortgagor shall enforce the tenants' obligations under the Leases;

(j) Mortgagor shall defend, at Mortgagor's expense, any proceeding pertaining to the Leases, including, if Mortgagee so requests, any such proceeding to which Mortgagee is a party;

(k) Mortgagor shall neither create nor permit any encumbrance upon its interest as landlord under the Leases, except for this Deed of Trust and any other encumbrances permitted by this Deed of Trust;

(l) Mortgagor shall not encumber or assign, or permit the encumbrance or assignment of, any Leases or Rental without the prior written consent of Mortgagee;

(m) Mortgagor shall not waive or release any obligation of any tenant under the Leases without prior written consent of Mortgagee;

(n) Each Lease executed after the date hereof shall contain a statement signed by the Mortgagor that such Lease is subject to this Deed of Trust;

(o) Mortgagor shall from time to time furnish to Mortgagee, within thirty (30) days after demand therefor, true, correct and complete copies of all Leases or any portion of the Leases specified by Mortgagee; and

(p) Mortgagor shall not in any event collect any Rental more than one (1) month in advance of the time it will be earned (and if Mortgagor does so, in addition to any other rights or remedies available by reason of such Event of Default, all Rental so collected more than one (1) month in advance of the time it is earned shall be delivered to Mortgagee to be applied to the Debt).

Section 9.06 Merger. There shall be no merger of the leasehold estates created by the Leases with the fee or any other estate in the Property without the prior written consent of Mortgagee.

Section 9.07 Reassignment. By Mortgagee's acceptance of this Deed of Trust, it is understood and agreed that a full and complete release of this Deed of Trust shall operate as a full and complete reassignment to Mortgagor of the Mortgagee's rights and interests under this Article (subject to the automatic reinstatement provisions of Section 10.17 below).

ARTICLE 10 GENERAL AND MISCELLANEOUS PROVISIONS

Section 10.01 Debt May be Changed without Affecting this Deed of Trust. Any of the Debt may be extended, rearranged, renewed, increased or otherwise changed in any way, and any part of the security described in this Deed of Trust or any other security for any part of the Debt may be waived or released without in anyway altering or diminishing the force, effect or lien of this Deed of Trust, and the lien, assignment and security interest granted by this Deed of Trust shall continue as a prior lien, assignment and security interest on all of the Property not expressly so released, until the final termination of this Deed of Trust.

Section 10.02 Security is Cumulative. No other security now existing or hereafter taken to secure any part of the Debt or the performance of any obligation or liability whatever shall in any manner affect or impair the security given by this Deed of Trust. All security for any part of the Debt and the performance of any obligation or liability shall be taken, considered and held as cumulative.

Section 10.03 Usury Not Intended; Savings Provisions. Notwithstanding any provision to the contrary contained in any Credit Document, it is expressly provided that in no case or event shall the aggregate of any amounts accrued or paid pursuant to this Deed of Trust which under applicable laws are or may be deemed to constitute interest ever exceed the maximum nonusurious interest rate permitted by applicable Texas or federal laws, whichever permit the higher rate. In this connection, Mortgagor and Mortgagee stipulate and agree that it is their common and overriding intent to contract in strict compliance with applicable usury laws. In furtherance thereof, none of the terms of this Deed of Trust shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the maximum rate permitted by applicable laws. Mortgagor shall never be liable for interest in excess of the maximum rate permitted by applicable laws. If, for any reason whatever, such interest paid or received during the full term of the applicable indebtedness produces a rate which exceeds the

maximum rate permitted by applicable laws, Mortgagee shall credit against the principal of such indebtedness (or, if such indebtedness shall have been paid in full, shall refund to the payor of such interest) such portion of said interest as shall be necessary to cause the interest paid to produce a rate equal to the maximum rate permitted by applicable laws. All sums paid or agreed to be paid to Mortgagee for the use, forbearance or detention of money shall, to the extent required to avoid or minimize usury and to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the applicable indebtedness so that the interest rate thereon does not exceed the Ceiling Rate. The provisions of this Section shall control all agreements, whether now or hereafter existing and whether written or oral, between Mortgagor and Mortgagee.

Section 10.04 Mortgagor Waives All Stay, Extension, Appraisal and Redemption Rights. Mortgagor will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force in any locality where the Property or any part thereof may or shall be situated, nor will Mortgagor claim, take or insist on any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisal of the Property or any part thereof before any sale or sales thereof to be made pursuant to any provision of this Deed of Trust, or to decree of any court of competent jurisdiction, nor after any such sale or sales made pursuant to any provision of this Deed of Trust, or to decree of any court of competent jurisdiction, nor after any such sale or sales will Mortgagor claim or exercise any right conferred by any law now or at any time hereafter in force to redeem the property so sold or any part of it, and Mortgagor hereby WAIVES all benefit and advantage of any such law or laws and WAIVES the appraisal of the Property or any part of it and covenants that Mortgagor will not hinder, delay or impede the execution of any power in this Deed of Trust granted and delegated to the Mortgage Bond Trustee or Mortgagee, but that Mortgagor will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 10.05 Subrogation to Liens Discharged. Mortgagor hereby agrees that Mortgagee shall be subrogated to all rights, titles, interests, liens, benefits, remedies, equities, superior title and security interests (the “**Subrogated Liens**”) owned, claimed or held as security for any debt or other obligation (the “**Discharged Obligations**”) directly or indirectly satisfied, discharged or paid with money or other property advanced by Mortgagee. Irrespective of any formal or informal acknowledgment of partial or complete satisfaction or release of the Discharged Obligations, the Subrogated Liens shall be continued, renewed, extended, brought forward and rearranged as security for the Debt in addition to and cumulative of the lien and security interest of this Deed of Trust. Foreclosure under this Deed of Trust shall constitute foreclosure of the Subrogated Liens.

Section 10.06 Due on Sale. Subject to the provisions of any Related Loan Documents and the provisions of this Deed of Trust (including, without limitation, Section 10.24 and 10.25 hereof), Mortgagor agrees that if, without Mortgagee’s prior written consent, (a) any part of the Property or any interest either in the Property or in the beneficial equity ownership of any Mortgagor which is not a natural person (an “**Equity Interest**”) should be directly or indirectly transferred, conveyed or mortgaged, voluntarily or involuntarily, absolutely or as security, or (b) Mortgagor should enter into any contractual arrangement to transfer, convey or mortgage any part of the Property or any interest either in the Property or in an Equity Interest, Mortgagee shall have the right and option (except only in those circumstances, if any, where the exercise of such right is expressly prohibited by applicable law and such law also precludes Mortgagor from effectively waiving such

prohibition) to declare the Notes or the entire amount of the Debt to be due and payable. Mortgagee shall have such right and option absolutely and irrespective of whether or not the transfer, conveyance or mortgage would or might (i) diminish the value of any security for the Debt, (ii) increase the risk of default under this Deed of Trust, (iii) increase the likelihood of Mortgagee's having to resort to any security for the Debt after default, or (iv) add or remove the liability of any person or entity for payment of the Debt or performance of any covenant or obligation under this Deed of Trust. To exercise such right and option, Mortgagee shall give written notice to Mortgagor and to the person or entity to whom such property was transferred, conveyed or mortgaged that the Notes or Debt has been declared due and payable and that Mortgagee demands that its maker pay it. If Mortgagee's consent to a proposed transfer, conveyance or mortgaging is requested, Mortgagee shall have the right (in addition to its absolute right to refuse to consent to any such transaction) to condition its consent upon satisfaction of any one or more of the following requirements: (1) that the interest rate(s) on all or any part of the Debt be increased to a rate which is then acceptable to Mortgagee; (2) that a reasonable transfer fee, in an amount determined by Mortgagee, be paid; (3) that a principal amount deemed appropriate by Mortgagee be paid against the Debt to reduce the ratio that the outstanding balance of the Debt bears to the value of the Property as determined by Mortgagee to a level which is then acceptable to Mortgagee; (4) that Mortgagor and each proposed transferee execute an assumption agreement and such other instruments as Mortgagee or its counsel shall reasonably require and in form and substance satisfactory to Mortgagee and its counsel; (5) that the proposed transferee's creditworthiness and experience in owning and operating similar properties be demonstrable and proven to Mortgagee's reasonable satisfaction to be at least as good as Mortgagor's and Mortgagor's managers' at the time the Notes were first funded; (6) that the liability to Mortgagee of Mortgagor and all makers and guarantors of all or any part of the Debt will be confirmed by them in writing to be unaffected and unimpaired by such transfer, conveyance or mortgaging; and (7) that any existing or proposed junior mortgagee expressly subordinate to all liens and security interests securing the Debt as to both lien and payment right priority and consent to the proposed transaction in a writing addressed to Mortgagee.

Section 10.07 Condemnation. Subject to the terms and conditions of the Related Bond Documents, if before final termination of this Deed of Trust, all or a portion of the Property is taken for public or quasi-public purposes, either through eminent domain or condemnation proceedings, by voluntary conveyance under threat of condemnation with Mortgagee's express written consent and joinder or otherwise, Mortgagor hereby agrees that any and all sums of money awarded or allowed as damages, payments in lieu of condemnation awards or otherwise to or for the account of the owner of the Property or any portion of it on account of such taking shall be paid and delivered to Mortgagee, and they are hereby assigned to Mortgagee, and shall be paid directly to Mortgagee. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Property and all judgments, decrees and awards for injury or damage to the Property shall be applied, first, to reimburse Mortgagee or the Mortgage Bond Trustee for all costs and expenses, including reasonable attorneys' fees, incurred in connection with collection of such proceeds and, second, the remainder of said proceeds shall be applied in accordance with the terms with the Master Indenture. Mortgagor agrees to execute such further assignments of all such proceeds, judgments, decrees and awards as Mortgagee may request. Mortgagee is hereby authorized, in the name of Mortgagor, to execute and deliver valid acquittances for, and to appeal from, any such judgment, decree or award. Mortgagee shall not be,

in any event or circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any such proceeds, judgments, decrees or awards.

Section 10.08 Appraisals and Reports to be Provided. Mortgagee (by its officers, employees, directors or agents) at any time and from time to time after the occurrence of an Event of Default hereunder, and at Mortgagor's sole cost and expense (to the extent not prohibited by applicable law), may contract for the services of an appraiser approved by Mortgagee in its sole discretion to perform a written appraisal of the Property (or such parts of it as are designated in Mortgagee's request). Any such appraisal may be performed at any time or times upon reasonable notice to Mortgagor, as long as it does not unreasonably interfere with Mortgagor's use of the Property. Specifically, any such appraiser is authorized to enter upon, and Mortgagor shall allow such appraiser access to, the Property as may be necessary in the opinion of such appraiser to perform its professional services. Mortgagor will also furnish such appraiser such historical and operational information regarding the Property as may be reasonably requested by such appraiser to facilitate preparation of an appraisal and will make available for meetings with such appraiser appropriate personnel having knowledge of such matters. Mortgagor will permit Mortgagee and its agents, independent contractors, representatives, employees and officers at all reasonable times to go upon, examine, inspect and remain on the Property for any lawful purpose and will furnish to Mortgagee on request all pertinent information in regard to the development, operation, use and status of the Property. Promptly upon Mortgagee's request, Mortgagor agrees, at Mortgagor's sole cost and expense (to the extent not prohibited by applicable law):

(a) to cause an inspection and written appraisal of the Property (or such parts of it as are designated in Mortgagee's request) to be made by a qualified appraiser approved by Mortgagee; and

(b) to cause to be conducted or prepared any other written report, summary, opinion, inspection, review, survey, audit or other professional service relating to the Property or any operations in connection with it (all as designated in Mortgagee's request), including any accounting, architectural, consulting, engineering, design, legal, management, pest control, surveying, toxic or hazardous materials survey, inspection, removal or cleanup work, title abstracting or other technical, managerial or professional service relating to the Property or its operations.

Mortgagee may elect to deliver any such request orally, by telegram or telefax, by email, by mail or by hand delivery addressed to Mortgagor as provided in the Introduction to this Deed of Trust or by any other legally effective method, and it may be given at any time and from time to time before the complete and final release and discharge of this Deed of Trust. Any amount to be paid under this Section by Mortgagor to Mortgagee shall be a demand obligation owing by Mortgagor to Mortgagee and shall bear interest from the date of expenditure at the Past Due Rate.

Section 10.09 Notices. Except where certified or registered mail notice is required by applicable law, service of any notice to Mortgagor required or permitted under this Deed of Trust shall be completed upon deposit of the notice, enclosed in a first class postage prepaid wrapper, properly addressed to Mortgagor at Mortgagor's address designated in the Introduction to this Deed of Trust (or if no address is so designated, or such address has changed, to Mortgagor's most recent address as shown by the records of Mortgagee) in a post office or official depository under

the care and custody of the United States Postal Service, and the affidavit of any person having knowledge of the facts concerning such mailing shall be conclusive evidence of the fact of such service. Such method of giving notice shall not be exclusive, but instead any notice may be given to Mortgagor in any manner permitted or recognized by law.

Section 10.10 Mortgagee and Mortgagor. The term “**Mortgagee**” as used in this Deed of Trust shall mean and include the holder or holders of the Debt from time to time, and upon acquisition of the Debt by any holder or holders other than the named Mortgagee, effective as of the time of such acquisition, the term “**Mortgagee**” shall mean all of the then holders of the Debt, to the exclusion of all prior holders not then retaining or reserving an interest in the Debt from time to time, whether such holder acquires the Debt through succession to or assignment from a prior Mortgagee. The term “Mortgagor, its successors and assigns” shall also include the heirs and legal representatives of each Mortgagor who is a natural person and the receivers, conservators, custodians and trustees of each Mortgagor, provided that no Mortgagor may assign or delegate any of its or his rights, interests or obligations under this Deed of Trust, the Notes or any Credit Document without Mortgagee’s express prior written consent, and any attempted assignment or delegation without it shall be void or voidable at Mortgagee’s election.

Section 10.11 Article, Section and Exhibit References, Numbers and Headings. References in this Deed of Trust to Articles, Sections and Exhibits refer to Articles, Sections and Exhibits in and to this Deed of Trust unless otherwise specified. The Article and Section numbers, Exhibit designations and headings used in this Deed of Trust are included for convenience of reference only and shall not be considered in interpreting, applying or enforcing this Deed of Trust.

Section 10.12 Exhibits Incorporated. All exhibits, annexes, appendices and schedules referred to any place in the text of this Deed of Trust are hereby incorporated into it at that place in the text, to the same effect as if set out there verbatim.

Section 10.13 “Including” is not Limiting. Wherever the term “including” or a similar term is used in this Deed of Trust, it shall be read as if it were written, “including by way of example only and without in any way limiting the generality of the clause or concept referred to.”

Section 10.14 Gender. The masculine and neuter pronouns used in this Deed of Trust each includes the masculine, feminine and neuter genders.

Section 10.15 Severability. If any provision of this Deed of Trust is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Deed of Trust shall not be affected thereby, and this Deed of Trust shall be liberally construed so as to carry out the intent of the parties to it. Each waiver in this Deed of Trust is subject to the overriding and controlling rule that it shall be effective only if and to the extent that (a) it is not prohibited by applicable law and (b) applicable law neither provides for nor allows any material sanctions to be imposed against Mortgagee for having bargained for and obtained it.

Section 10.16 Any Unsecured Debt is Deemed Paid First. If any part of the Debt cannot lawfully be secured by this Deed of Trust, or if the lien, assignments and security interest of this Deed of Trust cannot be lawfully enforced to pay any part of the Debt, then and in either such

event, at the option of Mortgagee, all payments on the Debt shall be deemed to have been first applied against that part of the Debt.

Section 10.17 Payments Returned. Mortgagor agrees that, if at any time all or any part of any payment previously applied by Mortgagee to the Debt is or must be returned by Mortgagee—or recovered from Mortgagee—for any reason (including the order of any bankruptcy court), this Deed of Trust shall automatically be reinstated to the same effect as if the prior application had not been made, and, in addition, Mortgagor hereby agrees to indemnify Mortgagee against, and to save and hold Mortgagee harmless from any required return by Mortgagee—or recovery from Mortgagee—of any such payment because of its being deemed preferential under applicable bankruptcy, receivership or insolvency laws, or for any other reason.

Section 10.18 Noun, Pronoun and Verb Numbers. When this Deed of Trust is executed by more than one person, corporation, partnership, joint venture, trust or other legal entity, it shall be construed as though “Mortgagor” were written “Mortgagors” and as though the pronouns and verbs in their number were changed to correspond, and in such case, (a) each of Mortgagors shall be bound jointly and severally with one another to keep, observe and perform the covenants, agreements, obligations and liabilities imposed by this Deed of Trust upon the “Mortgagor,” (b) a release of one or more persons, corporations or other legal entities comprising “Mortgagor” shall not in any way be deemed a release of any other person, corporation or other legal entity comprising “Mortgagor,” and (c) a separate action hereunder may be brought and prosecuted against one or more of the persons, corporations or other legal entities comprising “Mortgagor” without limiting any liability of or impairing Mortgagee’s right to proceed against any other person, corporation or other legal entity comprising “Mortgagor.”

Section 10.19 Amendments in Writing. This Deed of Trust shall not be changed orally but shall be changed only by agreement in writing signed by Mortgagor and Mortgagee provided that, no such prior consent shall be required for any amendment related to the release, substitution or supplement as permitted under Section 713 of the Master Indenture. Any waiver or consent with respect to this Deed of Trust shall be effective only in the specific instance and for the specific purpose for which given. No course of dealing between the parties, no usage of trade and no parole or extrinsic evidence of any nature shall be used to supplement or modify any of the terms or provisions of this Deed of Trust. Notwithstanding the foregoing, without the consent of each Holder of the Notes to be affected by such amendment, no such amendment shall:

(a) modify the definitions of the term “Event of Default” as such term is defined, herein (except to add additional events of default);

(b) reduce, amend or modify any indemnities (except to add additional indemnities) in favor of the Holders of any Bonds;

(c) adversely affect the Project or the lien of this Deed of Trust thereon except as permitted in Section 713 of the Master Indenture; or

(d) reduce any percentage in aggregate principal amount of the Bonds Outstanding, as the case may be, specified herein the Holders of which are empowered under the

provisions hereof to take any action hereunder or to permit or compel either Debtor or Mortgagee to take, suffer or omit any action;

provided, however, that without the written consent of each Holder of any Notes, no such amendment shall permit the creation of any lien on the Project or any portion thereof, or deprive the Holder of any Notes then outstanding of the lien of this Deed of Trust on the Project except as permitted in Section 713 of the Master Indenture. Any supplemental deed of trust or other agreement, instrument or action made, entered into or taken in a manner inconsistent with or contrary to the provisions of this Section 10.19 shall be void and of no effect. The Mortgagee shall mail, by certified mail, postage prepaid, any amendment entered into pursuant to this Section 10.19 to each Holder of any Notes at its address shown in the Note register. In executing any supplemental deed of trust permitted by this Section 10.19 or any amendments of this Deed of Trust, Mortgagee shall be entitled to receive and, subject to the terms of Sections 701 and 703 of the Master Indenture, shall be fully protected in relying upon an opinion of counsel stating that the execution of such supplemental deed of trust or amendment is authorized or permitted by this Deed of Trust and that all conditions precedent thereto have been complied with.

Section 10.20 Mortgagee's Offset Rights. Mortgagee is hereby authorized at any time and from time to time, without notice to any person or entity (and Mortgagor hereby WAIVES any such notice) to the fullest extent permitted by law, to set-off and apply any and all monies, securities and other properties of Mortgagor now or in the future in the possession, custody or control of Mortgagee, or on deposit with or otherwise owed to Mortgagor by Mortgagee including all such monies, securities and other properties held in general, special, time, demand, provisional or final accounts or for safekeeping or as collateral or otherwise (but excluding those accounts clearly designated as escrow or trust accounts held by Mortgagor for others unaffiliated with Mortgagor) —against any and all of Mortgagor's obligations to Mortgagee now or hereafter existing under this Deed of Trust, irrespective of whether Mortgagee shall have made any demand under this Deed of Trust. Mortgagee agrees to use reasonable efforts to promptly notify Mortgagor after any such set-off and application, provided that failure to give—or delay in giving—any such notice shall not affect the validity of such set-off and application or impose any liability on Mortgagee. Mortgagee's rights under this Section are in addition to other rights and remedies (including other rights of set-off) which Mortgagee may have.

Section 10.21 Venue. This Deed of Trust is performable in Fort Bend, Texas, which shall be the proper place of venue for suit on or in respect of this Deed of Trust. Mortgagor irrevocably agrees that any legal proceeding in respect of this Deed of Trust shall be brought in the district court of Fort Bend, Texas, or the United States District Court for the Southern District of Texas (collectively, the “**Specified Courts**”). Mortgagor hereby irrevocably submits to the nonexclusive jurisdiction of the state and federal courts of the State of Texas. Mortgagor hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Credit Document brought in any Specified Court, and hereby further irrevocably waives any claims that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Mortgagor further irrevocably consents to the service of process out of any of the Specified Courts in any such suit, action or proceeding by the mailing of copies thereof by certified mail, return receipt requested, postage prepaid, to Mortgagor at its address as provided in this Deed of Trust or as otherwise provided by Texas law. Nothing herein shall affect the right of Mortgagee to

commence legal proceedings or otherwise proceed against Mortgagor in any jurisdiction or to serve process in any manner permitted by applicable law. Mortgagor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. **THIS DEED OF TRUST SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE APPLICABLE LAWS OF THE STATE OF TEXAS EXCEPT TO THE EXTENT THAT THE LAWS OF THE UNITED STATES OF AMERICA AND ANY RULES, REGULATIONS, OR ORDERS ISSUED OR PROMULGATED THEREUNDER, APPLICABLE TO THE AFFAIRS AND TRANSACTIONS ENTERED INTO BY MORTGAGEE, OTHERWISE PRE-EMPT TEXAS LAW, IN WHICH EVENT SUCH FEDERAL LAW SHALL CONTROL.**

Section 10.22 Entire Agreement. This Deed of Trust embodies the entire agreement and understanding between Mortgagor and Mortgagee with respect to its subject matter and supersedes all prior conflicting or inconsistent agreements, consents and understandings relating to such subject matter. Mortgagor acknowledges and agrees that there is no oral agreement between Mortgagor and Mortgagee which has not been incorporated in this Deed of Trust.

Section 10.23 Release of Claims. Mortgagor hereby releases, discharges and acquits forever Mortgagee and Mortgage Bond Trustee and their officers, directors, trustees, agents, employees and counsel (in each case, past, present or future) from any and all Claims existing as of the date hereof (or the date of actual execution hereof by Mortgagor, if later). As used herein, the term “**Claim**” shall mean any and all liabilities, claims, defenses, demands, actions, causes of action, judgments, deficiencies, interest, liens, costs or expenses (including court costs, penalties, attorneys’ fees and disbursements, and amounts paid in settlement) of any kind and character whatsoever, including claims for usury, breach of contract, breach of commitment, negligent misrepresentation or failure to act in good faith, in each case whether now known or unknown, suspected or unsuspected, asserted or unasserted or primary or contingent, and whether arising out of written documents, unwritten undertakings, course of conduct, tort, violations of laws or regulations or otherwise. To the maximum extent permitted by applicable law, Mortgagor hereby waives all rights, remedies, claims and defenses based upon or related to Sections 51.003, 51.004 and 51.005 of the Texas Property Code, to the extent the same pertain or may pertain to any enforcement of this Deed of Trust.

Section 10.24 Subordinate Liens. Notwithstanding anything in this Deed of Trust to the contrary (including, without limitation, the provisions of Sections 2.02 and 10.06), Mortgagor shall have the right to incur short term debt, subordinate debt or otherwise encumber the Collateral to the extent permitted pursuant to the Related Loan Documents.

Section 10.25 Development Encumbrances. Notwithstanding anything in this Deed of Trust to the contrary (including, without limitation, the provisions of Sections 2.02, 10.06 and 10.19), in connection with the development of the Real Property, without the consent of Mortgagee, and without such actions constituting a breach or violation of this Deed of Trust, Mortgagor may impose upon the Real Property such reasonable easements and similar encumbrances to title as are customarily created or imposed in connection with the development of real property that is similar or comparable to the Real Property, including filing plats with regard to the Real Property (“**Customary Development Encumbrances**”), e.g., utility easements and

similar rights of way, and easements, building setback lines, and the like created by the platting or re-platting of the Real Property or otherwise. In addition, the liens and security interests covering or encumbering the Real Property created by this Deed of Trust shall at all times be subordinate and inferior to the easements and other similar encumbrances against title to the Real Property created in connection with any future Customary Development Encumbrances; provided, however, such liens and security interests of this Deed of Trust shall not be inferior or subordinate to any monetary liens created pursuant to any such future Customary Development Encumbrances, and all liens and security interest created by this Deed of Trust shall be superior and prior to any and all such monetary liens created by any such future Customary Development Encumbrances. The Mortgagee is hereby authorized to sign any and all documents and agreements confirming the subordination set forth in this Section.

Section 10.26 Conflict with Related Loan Documents. Other than with respect to those provisions in this Deed of Trust relating to the grant of liens and security interests hereby, and the enforcement of same (including, without limitation, those provisions relating to the foreclosure of such liens and security interests), in the event of any conflict between the terms and provisions of this Deed of Trust, on the one hand, and the terms and provisions of the Related Loan Documents, on the other hand, the terms and provisions of the Related Loan Documents shall govern and control.

Section 10.27 Concerning Mortgagee. In furtherance and not in derogation of the rights, privileges and immunities of Mortgagee set forth in the Master Indenture and the Related Bond Documents and the Master Indenture:

(a) Mortgagee shall not be responsible for the existence, condition, sufficiency, genuineness, or value of, or title to, any of the Collateral or for the validity, perfection, priority or enforceability of the lien of this Deed of Trust on any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder. Mortgagee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Deed of Trust by Mortgagor. For the avoidance of doubt, Mortgagee shall not be liable or responsible for any decrease in value of the Collateral by reason of availing itself of the rights granted by the Deed of Trust or by reason of Mortgagee's compliance with any environmental law, specifically including any reporting requirement under any such law;

(b) Mortgagee shall not be responsible for insuring the Collateral or for the payment of any impositions, taxes or liens on the Collateral or for the maintenance of the Collateral; and

(c) Notwithstanding any other provision of this Deed of Trust, Mortgagee shall have the power and the right, but not the duty, to:

(i) settle or compromise at any time any and all claims against Mortgagee which may be asserted by any governmental body or authority or private party for the alleged violation of any environmental law affecting the Collateral; and

(ii) enter onto the Real Property to take such action as it deems reasonably necessary or advisable to clean up, remediate, encapsulate, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Substances or breaches of Environmental Laws that could result in an order, suit or other action, or which, in the sole, but reasonable, judgment of the Mortgagee, could jeopardize its liens under this Deed of Trust.

(d) With respect to any matter as to which Mortgagee is required (or authorized) to exercise discretion to provide any consent, approval or otherwise take any action prior to the occurrence of an Event of Default, Mortgagee shall be obligated to do so only upon the written instruction of the Holders (as defined in the Related Bond Indenture) of a majority in principal amount of the Outstanding Bonds (as defined in the Related Bond Indenture) and the receipt of indemnity satisfactory to Mortgagee; provided that such consent or approval shall not be unreasonably withheld, conditioned or delayed. Mortgagee shall be completely protected and shall have no liability in taking no action with respect to any matter prior to default, except upon written instruction of the Holders of a majority in principal amount of the Outstanding Notes and receipt of indemnity satisfactory to Mortgagee; provided that such consent or approval shall not be unreasonably withheld, conditioned or delayed. In any and all cases where the consent of both Mortgagee and the Holders of a majority in principal amount of the Outstanding Notes is required or called for, the consent of the Holders of a majority in principal amount of the Outstanding Notes shall constitute a direction from all Holders to Mortgagee to take such action.

(e) Mortgagee is acting in its capacity as Master Trustee under the Master Indenture and Mortgagee's rights under this Deed of Trust shall be in addition to all rights, immunities, protections and indemnities of the Master Trustee under the Master Indenture; for the avoidance of doubt, any permissive rights of Mortgagee shall not be construed as duties.

ARTICLE 11 ENVIRONMENTAL MATTERS

Section 11.01 Certain Definitions. When used in this Article, the following capitalized terms shall have the meanings set forth below:

(a) **"Aboveground Storage Tank"** means a nonvehicular device constructed of nonearthen materials located above the ground surface or above the floor of a structure that is below the ground and is designed to contain liquids.

(b) **"ACM"** means asbestos or any material containing more than one percent (1%) asbestos (as determined under Environmental Laws) that is friable or which bears a risk of becoming friable if not abated.

(c) **"CERCLA"** means the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 et. seq.

(d) **"Costs"** means all liabilities, losses, costs, damages, punitive damages, expenses, claims, loss of lien priority, diminution in value, reasonable attorneys' fees, experts' fees and consultants' fees, penalties, fines, obligations, judgments and disbursements, as well as

expenses of Remediation and any other remedial, removal, response, abatement, cleanup, legal, investigative, monitoring or record keeping costs and all expenses related thereto.

(e) “**Disposal**” (or “**disposed**”) shall have the meaning specified in RCRA.

(f) “**Environmental Audit**” means a comprehensive analysis prepared by consultants reasonably acceptable to Mortgagee, the form, scope, and substance of which shall be reasonably acceptable to Mortgagee in its sole discretion, based on existing or reasonably suspected conditions or events at the Property of (i) Mortgagor’s compliance with Environmental Laws, and (ii) Mortgagor’s activities or any activities conducted at the Property for the purpose of determining whether there exists any condition that could give rise to any material Environmental Claim against Mortgagor, the Property or any operator thereof.

(g) “**Environmental Claim**” means any claim; demand; action; cause of action; suit; loss; cost; damage; punitive damage; fine, penalty, expense, liability, criminal liability, judgment, governmental, private investigation or notice relating to Remediation or compliance with Requirements of Environmental Laws; proceeding; lien; personal injury, property damage or harm to public health, safety or the environment; in each case, whether threatened, sought, brought or imposed, that is related to or that seeks to recover Costs related to, or seeks to impose liability regarding Mortgagor, the Property or operations conducted at the Property relating to Environmental Laws, Environmental Permits or Requirements of Environmental Laws, which shall include but shall not be limited to those for (i) improper use or treatment of wetlands, pinelands or other protected land or wildlife; (ii) noise; (iii) radioactive materials (including naturally occurring radioactive materials); (iv) explosives; (v) pollution, contamination, preservation, protection, remediation or clean-up of the air, surface water, ground water, soil or wetlands; (vi) solid, gaseous or liquid waste generation, handling, discharge, release, threatened release, treatment, storage, disposal or transportation; (vii) exposure of persons or property to Hazardous Substances and the effects thereof; (viii) the manufacture, processing, distribution in commerce, use, treatment, storage, disposal or Remediation of Hazardous Substances; (ix) injury to, death of or threat to the health or safety of any person or persons caused in whole or in part by Hazardous Substances; (x) destruction caused in whole or in part by Hazardous Substances or the release of any Hazardous Substance on any property (whether real or personal); (xi) the implementation of spill prevention and/or disaster plans relating to Hazardous Substances; (xii) community right-to-know and other disclosure laws; or (xiii) maintaining, disclosing or reporting information to governmental authorities under any Environmental Law. The term “Environmental Claim” also includes any Costs incurred in responding to efforts to require Remediation with respect to the Property or as a result of operations at the Property, and any claim based upon any asserted or actual breach or violation of any Requirements of Environmental Law, or upon any event, occurrence or condition with respect to the Property, or as a result of operations at the Property, as a consequence of which, pursuant to any Requirements of Environmental Law, (y) any owner, operator or person having any interest in the Property, including any mortgagee of the Property or the beneficiary of any deed of trust of the Property, shall be liable with respect to any Environmental Claim or otherwise suffer any loss or disability, or (z) the Property shall be subject to any restriction on use, ownership or transferability. An “Environmental Claim” further includes a proceeding to issue, modify, revoke or terminate an Environmental Permit, or to adopt or amend a regulation to the extent that such a proceeding or occurrence attempts to redress violations of any applicable Environmental Permit or will materially impair the value of any security for the

Debt, the prospects for timely repayment of the Debt, Mortgagor's current financial condition or Mortgagor's ability to conduct its business operations or to continue in business as a going concern.

(h) **“Environmental Laws”** means all present and future federal, state and local laws, including without limitation the laws described on EXHIBIT E attached hereto the laws, described on EXHIBIT E attached hereto and any and all other applicable laws, and all present and future statutes, rules, regulations, and all present and future statutes, ordinances, codes, rules, regulations, any judicial or administrative orders (whether or not on consent), settlement agreements, directives, written policies or other binding determinations of any federal, state or local executive, legislative, judicial, regulatory or administrative agency, board or authority or any judicial or administrative decision relating thereto, whether now or hereafter in effect, that relate to (i) wetlands, pinelands or other protected land or wildlife species; (ii) noise; (iii) radioactive materials (including naturally occurring radioactive materials); (iv) explosives; (v) pollution, contamination, preservation, protection, or clean-up of the air, surface water, ground water, soil or wetlands; (vi) solid, gaseous or liquid waste generation, handling, discharge, release, threatened release, treatment, storage, disposal or transportation; (vii) exposure of persons or property to Hazardous Substances and the effects thereof; (viii) injury to, death of or threat to the safety or health of employees and any other persons; (ix) the manufacture, processing, distribution in commerce, use, treatment, storage, disposal or Remediation of Hazardous Substances; (x) destruction, contamination of, or release onto any property (whether real or personal) in connection with Hazardous Substances; (xi) the implementation of spill prevention and/or disaster plans relating to Hazardous Substances; (xii) community right-to-know and other disclosure laws; (xiii) maintaining, disclosing or reporting information to governmental authorities under any Environmental Law; or (xiv) Environmental Permits.

(i) **“Environmental Permits”** means any permit, license, registration, waste identification number, approval or other authorization relating to Mortgagor, Mortgagor's business or operations, or the Property required by any Environmental Law.

(j) **“Hazardous Substances”** means hazardous or toxic substances, materials or wastes, including but not limited to: (i) those substances included within the statutory and/or regulatory definitions of “hazardous substance,” “hazardous waste,” “extremely hazardous substance,” “regulated substance,” “contaminant,” “hazardous materials” or “toxic substances,” under any Environmental Law; (ii) those substances listed in 49 C.F.R. 172.101 and in 40 C.F.R. Part 302; (iii) any material, waste or substance which is (A) petroleum, oil or a fraction thereof, (B) ACM, (C) polychlorinated biphenyls, (D) formaldehyde, (E) designated as a “hazardous substance” pursuant to 33 U.S.C. § 1321 or listed pursuant to 33 U.S.C. § 1317, (F) explosives, or (G) radioactive materials (including naturally occurring radioactive materials); (iv) Solid Wastes; (v) any material, waste or substance designated, classified or regulated as a “hazardous material,” “hazardous substance,” “toxic substance” or as a “Class I” or “Class II” waste under Title 30 of the Texas Administrative Code, or under any other applicable Texas law or under any applicable regulation promulgated under any such laws; (vi) radon gas in an ambient air concentration exceeding four picocuries per liter (4 pCi/l); (vii) such other substances, materials or wastes that are or become classified or regulated as hazardous or toxic under any applicable federal, state or local law or regulation; and (viii) any Underground Storage Tank. For the purposes of this definition, Hazardous Substances shall not include any substance of a nature, quantity or concentration that is customarily used, stored or disposed as part of or incidental to the operation

and maintenance of the Property in the ordinary course of Mortgagor's business currently conducted (or contemplated to be conducted following completion of construction of improvements, if applicable) at the Property so long as (x) such use, storage or disposal complies fully with applicable Environmental Laws and good and safe business practice and is conducted in a manner so as not to give rise to liability under applicable Environmental Laws or the common law relating to pollution, (y) any disposal takes place in accordance with applicable Environmental Laws at disposal facilities and locations other than the Property and which are fully permitted in accordance with Environmental Laws, and (z) such use, storage or disposal does not require Mortgagor, any agent or employee of Mortgagor or any operator of the Property to have a hazardous waste generator identification number or any other Environmental Permit based primarily on or related primarily to the Hazardous Substance in question.

(k) **"Mortgagee Indemnitees"** means Mortgagee, any subsequent holder or owner of the Notes or any interest in them, any affiliate, successor, assign or subsidiary of Mortgagee and each of their shareholders, directors, officers, employees, counsel, agents and contractors, and the Mortgage Bond Trustee and all successor or substitute trustees, as well as their respective heirs and personal and legal representatives.

(l) **"RCRA"** means the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et. seq.

(m) **"Release"** (or **"released"**) shall have the meaning specified in CERCLA or in any similar state or local Environmental Law, as applicable.

(n) **"Remediation"** means any action necessary to ensure compliance with the Requirements of Environmental Law or to address liabilities arising under Environmental Law or the common law, including without limitation (i) the removal and disposal or containment (if containment is practical under the circumstances and is permissible within Requirements of Environmental Law) or monitoring of any and all Hazardous Substances at the Property; (ii) the taking of reasonably necessary precautions to protect against the release or threatened release of Hazardous Substances at, on, in, about, under, within or near the air, soil, surface water, groundwater or soil vapor at the Property or any public domain affected by the Property or any surrounding areas thereof; (iii) any action necessary to mitigate the usurpation of wetlands, pinelands or other protected land or reclaim the same or to protect and preserve wildlife species; or (iv) any action necessary to meet the requirements of an Environmental Permit.

(o) **"Requirements of Environmental Law"** means all requirements, conditions, restrictions or stipulations of Environmental Laws or Environmental Permits imposed upon or related to Mortgagor, the Property and/or any operation conducted on the Property.

(p) **"Solid Waste"** shall have the meaning ascribed to it in RCRA.

(q) **"Underground Storage Tank"** shall have the meaning ascribed to it in RCRA.

Notwithstanding the foregoing, if any Environmental Law is amended so as to broaden the meaning of any term defined in it, such broader meaning shall apply subsequent to the effective date of such amendment. Where a defined term in this Article derives its meaning from a statutory

reference, for the purposes of this Article any regulatory definition promulgated pursuant to the applicable statute shall be deemed to be applicable to the extent its definition is broader than the statutory reference and any reference or citation to a statute or regulation shall be deemed to include any amendments to that statute or regulation and judicial and administrative interpretations of it. To the extent that the laws or regulations of the State of Texas establish a meaning for a term defined in this Article through reference to federal Environmental Law that is broader than the meaning specified in such federal Environmental Law, such broader meaning set forth in the state Environmental Law shall apply. Any specific references to a law shall include any amendments to it promulgated from time to time.

Section 11.02 Environmental Representations and Warranties. Mortgagor represents and warrants that:

(a) Presence of Hazardous Substances. There do not exist any Hazardous Substances on the Property except for household and commercial cleaners and chemicals used to maintain the Property, the use, storage and disposal of which are and have been in compliance with all Environmental Laws.

(b) On-site Release of Hazardous Substances. There has been no Release or, to the best of Mortgagor's knowledge, threatened Release or disposal of Hazardous Substances that have occurred or are presently occurring on or, to the best of Mortgagor's knowledge, onto the Property from any adjacent properties.

(c) Off-site Release of Hazardous Substances. Except as disclosed by an Environmental Audit, there has been no Release or, to the best of Mortgagor's knowledge, threatened Release or disposal of Hazardous Substances that has occurred or is presently occurring (i) on any tract neighboring the Property or (ii) off the Property as a result of any construction on or operation or use of the Property.

(d) Environmental Claims. There are no presently existing or, to the best of Mortgagor's knowledge, threatened Environmental Claims.

(e) Compliance with Requirements of Environmental Law. There has been no failure by Mortgagor or, to the best of Mortgagor's knowledge, any predecessor in interest to Mortgagor, to comply with all applicable Requirements of Environmental Laws relating to Mortgagor, Mortgagor's operations, the Property and Mortgagor's generation, use, storage or disposal of any Hazardous Substance and Mortgagor is not aware of any facts or circumstances which could materially impair such compliance with all applicable Environmental Laws.

(f) Environmental Permits. Mortgagor is not currently and, to the best of Mortgagor's knowledge, no predecessor in interest to Mortgagor was, required to obtain any Environmental Permit to construct, demolish, renovate, occupy, operate or use any buildings, improvements, fixtures or equipment forming a part of the Property that have not been obtained and fully disclosed to Mortgagee.

(g) Disclosure to Governmental Authority. The present and, to the best of Mortgagor's knowledge, past uses of the Property satisfy all Requirements of Environmental Laws

and Mortgagor is aware of no fact or circumstance which upon disclosure to any governmental authority would render this representation to be false or misleading in any respect.

(h) ACM, Underground Storage Tanks and Aboveground Storage Tanks. Except as disclosed to Mortgagee in writing, there is no ACM, Aboveground Storage Tank or Underground Storage Tank located on, in (including, with respect to ACM, within building materials) or about the Property nor has any ACM, Aboveground Storage Tank or Underground Storage Tank at any time been removed from the Property. Each Aboveground Storage Tank and Underground Storage Tank located on, in or about the Property has been registered with the Texas Commission on Environmental Quality, if required by Environmental Laws, all registration/facility fees for each such Aboveground Storage Tank and Underground Storage Tank have been fully paid if required by Environmental Laws and any release or leak with respect to each such Aboveground Storage Tank and Underground Storage Tank has been reported to and confirmed by the Texas Commission on Environmental Quality, if required by Environmental Laws.

(i) Notice of Environmental Claim. There are no liens affecting Mortgagor, the Property or, to the best of Mortgagor's knowledge, any real property contiguous to the Property arising out of or in connection with an Environmental Claim and Mortgagor has not received any summons, directive, citation, notice, letter or other communication, written or oral, from any governmental authority or any other person concerning any intentional or unintentional action or omission by Mortgagor or any other person which may result in an Environmental Claim or a breach of any Requirement of Environmental Law with regard to Mortgagor or the Property.

Section 11.03 Environmental Covenants. Mortgagor agrees and covenants as follows:

(a) Notice to Mortgagee. Mortgagor shall notify Mortgagee in writing within three (3) business days upon receipt by Mortgagor from any person of any inquiry, notice, claim, charge, cause of action or demand relating to Requirements of Environmental Laws or an Environmental Claim, including any notice of inspection or assertion of noncompliance with Requirements of Environmental Laws, stating the basis of such inquiry or notification. Mortgagor shall promptly deliver to Mortgagee any and all documentation or records as Mortgagee may request in connection with such notice or inquiry, and shall keep Mortgagee advised of any subsequent developments on a timely basis.

(b) Compliance with Permits. Mortgagor will obtain, comply with and properly maintain all Environmental Permits required for the Property and any operations conducted thereon.

(c) Compliance with Requirements of Environmental Laws. Mortgagor will not do or permit anything that will cause Mortgagor or the Property to be in violation of any Requirements of Environmental Laws, or do or permit anything to be done that might reasonably and foreseeably subject Mortgagor or the Property to any Remediation obligations that would materially and adversely affect the financial condition of Mortgagor or the value or marketability of the Property or to any enforcement actions under any Environmental Laws or any other Environmental Claim.

(d) Remediation. If any release of Hazardous Substances should exist or occur at the Property or if Mortgagor should be ordered or directed by any governmental authority or any other person to undertake Remediation of any Hazardous Substances at the Property or take any other action to satisfy Requirements of Environmental Law, Mortgagor, at no cost or expense to the Mortgagee Indemnites, shall comply with all Environmental Laws, conduct and complete all required sampling, testing and monitoring and undertake such Remediation promptly upon discovery or notice thereof and thereafter diligently and continuously pursue such Remediation, to a cleanup standard in accordance with applicable Environmental Law, completing each element, phase or stage of it within each applicable period established by any person, agency or bureau empowered to enforce any applicable Environmental Law (or if no such period or schedule is established, in accordance with a reasonable schedule consistent with prudent business practice taking into account potentially adverse effects to the environment and individuals' health and safety), but in any case before any lien is created on the Property. If Mortgagor undertakes any Remediation, or causes it to be undertaken, Mortgagor shall conduct and complete such Remediation (i) in compliance with Requirements of Environmental Laws, (ii) in accordance with the directives and orders of all appropriate federal, state and local governmental authorities, and (iii) in accordance with sound business practice taking into account potentially adverse effects to the environment and individuals' health and safety.

(e) Prospective Obligations. If any Remediation fails to comply with Requirements of Environmental Laws because of changes to said Environmental Laws, Mortgagor shall promptly undertake such Remediation and other work as is necessary to comply with the then-current Environmental Laws in the manner set forth in this Section.

(f) Environmental Audits.

(i) Prior to the occurrence and continuation of an Event of Default, upon Mortgagee's request, at any time and from time to time, Mortgagor will provide, at no cost or expense to the Mortgagee Indemnites, an Environmental Audit; provided, that unless required by any governmental authority, Mortgagee may not request more than one (1) Environmental Audit in any twelve (12) calendar month period. Any fundings remaining to be made of the Debt shall be expressly conditioned upon receipt and approval of the Environmental Audit and Mortgagee being reasonably satisfied that it has disclosed no fact or circumstance which causes Mortgagor to be in default under this Article. If Mortgagor fails to provide an Environmental Audit within thirty (30) days after Mortgagee's written request, Mortgagee may order one, and Mortgagor grants to Mortgagee and its agents, employees, contractors and consultants reasonable access to the Property and a license to perform such inspections and tests as are reasonable under the circumstances. At Mortgagee's option, the cost of such inspections and tests actually incurred by Mortgagee shall be payable by Mortgagor to Mortgagee upon demand.

(ii) Upon the occurrence and continuation of an Event of Default, the Mortgagee (by its officers, employees and agents) at any time, and from time to time, may contract for the services of consultants (the "**Site Reviewers**") to perform Environmental Audits. The Site Reviewers are authorized to enter upon all or any

part of the Real Property to conduct Environmental Audits. The Site Reviewers are further authorized to perform both above and below the ground testing for environmental damage or the presence of Hazardous Substances and such other test on the Real Property as the Site Reviewers and/or the Mortgagee may deem necessary. The Mortgagee shall not be responsible for any negligence, gross negligence or misconduct of any Site Reviewer. The Mortgagor agrees to supply to the Site Reviewers such historical and operational information regarding the Real Property as may be reasonably requested to facilitate the Environmental Audits and will make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. The cost of performing Environmental Audits shall be paid by Mortgagor. The Mortgagee shall not have a duty, however, to visit or observe the Real Property or to conduct tests, and no site visit, observation, or testing by the Site Reviewer engaged by it shall impose any liability the Mortgagee. In no event shall any site visit, observation or testing by any Site Reviewer be a representation the Mortgagee that hazardous substances are or are not present in, on or under the Real Property, or that there has been or shall be compliance with Environmental Laws. The Mortgagee does not owe a duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Hazardous Substances or any other adverse condition affecting the Real Property. The Site Reviewer may, in its discretion, disclose to Mortgagor or any other party any report or findings made as a result of, or in connection with, any site visit, observation or testing by the Site Reviewer engaged by it. Mortgagor understands and agrees that the Mortgagee may in its discretion disclose to Mortgagor or any other party any report or findings made as a result of, or in connection with, any site visit, observation or testing by the Site Reviewer engaged by it. Mortgagor understands and agrees that the Mortgagee makes no representation or warranty to Mortgagor or any other party regarding the truth, accuracy or completeness of any such report or findings that may be disclosed in an Environmental Audit. Mortgagor also understands that, depending on the results of Environmental Audits which are disclosed to Mortgagor, Mortgagor may have a legal obligation to notify one or more environmental agencies of the results and that such reporting requirements are site-specific. The Mortgagee may disclose any Environmental Audit to potential buyers in connection with default proceedings hereunder and the Mortgagor acknowledges that any such disclosure, depending upon the results of an Environmental Audit, may affect the amount of money that may be realized in such default proceedings.

(g) Asbestos Containing Materials. Mortgagor will not install any ACM or permit any ACM to be installed in or introduced onto the Property; and if any ACM exists in or on the Property, whether installed by Mortgagor or others, Mortgagor will, at no cost or expense to the Mortgagee Indemnitees, remove it (or if removal is prohibited by law or in Mortgagor's reasonable judgment is impractical, take whatever action is required by law or reasonably necessary to mitigate adverse impact to the environment and individuals' health and safety, including encapsulation of the ACM or implementation of an operation and maintenance program).

Section 11.04 Environmental Indemnity Scope of Indemnity. MORTGAGOR HEREBY AGREES UNCONDITIONALLY, ABSOLUTELY AND IRREVOCABLY, TO INDEMNIFY,

DEFEND AND HOLD HARMLESS EACH MORTGAGEE INDEMNITEE FROM AND AGAINST ANY COSTS WHICH AT ANY TIME OR FROM TIME TO TIME MAY BE CLAIMED, SUFFERED OR INCURRED IN CONNECTION WITH ANY ENVIRONMENTAL CLAIM, THE PAST, PRESENT OR FUTURE VIOLATION OF ANY REQUIREMENTS OF ENVIRONMENTAL LAW OR ANY ENVIRONMENTAL PERMIT, THE BREACH OF ANY REPRESENTATION OR WARRANTY OF MORTGAGOR SET FORTH HEREIN OR THE FAILURE OF MORTGAGOR TO PERFORM ANY OBLIGATION HEREIN REQUIRED TO BE PERFORMED BY MORTGAGOR, INCLUDING WITHOUT LIMITATION ANY COSTS OR ENVIRONMENTAL CLAIMS BASED ON STRICT LIABILITY OR NEGLIGENCE, INCLUDING WITHOUT LIMITATION THOSE ARISING UNDER CERCLA OR ANALOGOUS STATUTES. SUCH INDEMNIFICATION OBLIGATIONS ARE HEREIN CALLED THE “**ENVIRONMENTAL INDEMNIFICATIONS.**”

THIS INDEMNIFICATION OF A MORTGAGEE INDEMNITEE PROVIDED IN THIS SECTION 11.04(A) SHALL REMAIN IN FULL FORCE AND EFFECT EXCEPT TO THE EXTENT ANY CLAIM FOR LIABILITIES DIRECTLY OR INDIRECTLY RESULTS FROM, ARISES OUT OF, OR RELATES TO, OR IS ASSERTED TO HAVE RESULTED FROM, ARISEN OUT OF, OR RELATED TO, THE NEGLIGENCE (BUT NOT GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF ANY SUCH MORTGAGEE INDEMNITEE.

(a) Survival of Indemnity. The Environmental Indemnifications and the other provisions of and undertakings set out in this Article shall survive foreclosure of this Deed of Trust or acceptance of the Property by Mortgagee in lieu of foreclosure, the payment of the Debt and satisfaction and release of this Deed of Trust and shall thereafter continue to be the personal liability, obligation and indemnification of Mortgagor, binding upon Mortgagor.

(b) Mortgagor’s Liability. Mortgagor’s liability under the Environmental Indemnification provisions contained in this Article shall accrue upon the earlier of an Environmental Claim being asserted against any Mortgagee Indemnatee or upon a Mortgagee Indemnatee’s receipt of written notice of any of the events specified in Section (a). In no event shall any Mortgagee Indemnatee be required to make any expenditure or bring any cause of action to enforce Mortgagor’s obligations and liability under and pursuant to the indemnifications set forth in this Article. In addition, actual threatened action by governmental authority is not a condition or prerequisite to Mortgagor’s obligations under this Deed of Trust. Within five (5) days after notification from Mortgagee supported by reasonable documentation setting forth the nature of the Environmental Claim, Mortgagor, at no cost or expense to Mortgagee Indemnitees, shall diligently commence resolution of the Environmental Claim in a manner reasonably acceptable to Mortgagee and shall diligently and timely prosecute such resolution to completion. Provided, however, with respect to those claims that may be satisfied by payment of a liquidated sum of money, Mortgagor shall promptly pay the amount so claimed (to the extent supported by reasonable documentation); provided, however, Mortgagor shall have the right to withhold such payment to the extent it is lawfully disputing on Mortgagee Indemnitees’ behalf, Mortgagee Indemnitees’ liability or degree of liability in accordance with all laws. In the event such a dispute is unsuccessful, Mortgagor shall then promptly pay the sum demanded, plus all additional costs, judgments, expenses or claims arising out of Mortgagor’s dispute. If Remediation is required, the

provisions of Section (d) shall control and if litigation or any administrative proceeding is commenced the provisions of Section (g) shall control.

(c) Burden of Proof. Notwithstanding any provision contained to the contrary in this Deed of Trust or any of the other Credit Documents, Mortgagor shall bear the burden of proof by preponderance of the evidence that the indemnification contained in this Article is inapplicable to any claim or assertion made hereunder.

(d) Inconsistent Provisions. The provisions of this Article shall govern and control over any inconsistent provision of the Credit Documents, including any exculpatory or non-recourse provisions contained in any of them.

(e) Payment of Attorneys' Fees. If at any time any Mortgagee Indemnitee employs counsel for advice or other representation (i) with respect to this Article; (ii) except as otherwise expressly provided herein, to represent any such Mortgagee Indemnitee in any litigation, contest, dispute, suit or proceeding (whether instituted by a Mortgagee Indemnitee, Mortgagor or any other party) in any way or respect relating to this Article; (iii) to evaluate the existence of an Environmental Claim hereunder; (iv) to defend an Environmental Claim; or (v) to enforce Mortgagor's obligations hereunder, then and in any of such events, all of such Mortgagee Indemnitee's reasonable attorneys' fees and expenses arising from such services and all expenses, costs and charges in any way or respect arising in connection therewith or relating thereto shall be paid by Mortgagor to Mortgagee on demand.

(f) Appointment of Counsel. If any Environmental Claim shall be brought against any Mortgagee Indemnitee, then after notification to Mortgagor thereof as provided in Section (c), Mortgagor shall be entitled to participate in all related proceedings and negotiations and to assume the defense thereof at the expense of Mortgagor with counsel reasonably acceptable to Mortgagee and to settle and compromise any such claim or action; provided, that Mortgagee may elect to be represented by separate counsel, at Mortgagor's expense, and if Mortgagee so elects, any settlement or compromise shall be effected only with the written consent of Mortgagee, which consent shall not be unreasonably withheld. Mortgagor's right to participate in the defense or response to any Environmental Claim should not be deemed to limit or otherwise modify its obligations under this Article.

(g) Payment on Demand. Mortgagor shall make any payment required to be made under this Article on demand.

(h) Interest on Indemnified Sums. Any Costs and other payments required to be paid by Mortgagor under this Article which are not paid within five (5) business days of receipt by Indemnitor of Mortgagee's demand therefor shall thereafter be deemed "Delinquent." In addition to all other rights and remedies of Mortgagee against Mortgagor provided herein, under the other Credit Documents or under any applicable law, Mortgagor shall pay to Mortgagee immediately upon demand interest at the Past Due Rate from the date such payment becomes Delinquent to the date of payment of such Delinquent sums.

(i) Subrogation of Indemnity Rights. Mortgagee shall be subrogated to any rights Mortgagor may have under any indemnifications from any present, future or former owners,

tenants or other occupants or users of the Property or any other person relating to the matters covered by this Article.

(j) Merger, Consolidation or Sale of Assets. Without limiting any other provision of this Deed of Trust, in the event of a dissolution of Mortgagor or the disposition of all or substantially all of Mortgagor's assets to one or more persons or entities, the surviving entity or transferee of assets as the case may be, shall deliver to Mortgagee an acknowledged instrument in recordable form specifically assuming all obligations, covenants and responsibilities of Mortgagor under this Article.

(k) Survival of Provisions. The representations, warranties and covenants and indemnities of Mortgagor set forth in this Article shall continue in effect and, to the extent permitted by law, shall survive the transfer of the Property pursuant to foreclosure proceedings (whether judicial or nonjudicial), by deed in lieu of foreclosure or otherwise. Mortgagor acknowledges and agrees that its covenants and obligations under this Article are separate and distinct from its other obligations under the Credit Documents.

[Remainder of page intentionally left blank; signature page follows]

EXECUTED effective as of the first date written above.

LOGOS PREPARATORY ACADEMY, a Texas
nonprofit corporation

By: _____
Richard E. Goolsby, Jr., Chairman

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

This instrument was acknowledged before me on this ____ day of _____, 2026,
by Richard E. Goolsby, Jr., Chairman of the Board of Directors for LOGOS PREPARATORY
ACADEMY, a Texas nonprofit corporation, on behalf of said nonprofit corporation.

Notary Public, State of Texas

[SEAL]

EXHIBIT A

REAL PROPERTY DESCRIPTION

[to be inserted.]

EXHIBIT B
SUBJECT LEASES

[None.]

EXHIBIT C
LEASED PROPERTY DESCRIPTION

[None.]

EXHIBIT D

PERMITTED ENCUMBRANCES

[to be inserted.]

EXHIBIT E

ENVIRONMENTAL LAWS

Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq. as amended by the Superfund Amendments and Reauthorization Act of 1986.

Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.

Clean Water Act, 33 U.S.C. § 1251 et seq., as amended by the Oil Pollution Act of 1990, Pub.L. No. 101-380, 104 Stat. 484 (1990).

Safe Drinking Water Act, 42 U.S.C. §§ 300f-300j.

Clean Air Act, 42 U.S.C. § 7401 et seq.

Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et. seq.

The Oil Pollution Act of 1990, Pub.L. No. 101-380, 104 Stat. 484 (1990).

Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.

Texas Water Code

Texas Health and Safety Code

Texas Natural Resources Code

Statewide Rules for Oil, Gas and Geothermal Operations (promulgated by the Railroad Commission of Texas).

The laws cited above shall be deemed to include any amendments to them and regulations promulgated under them from time to time.

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APPENDIX I
FORM OF INVESTOR LETTER

Arlington Higher Education Finance Corporation
4381 West Green Oaks Boulevard, Suite 200
Arlington, Texas 76016

Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, California 90067

Re: Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy) Series 2026

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby acknowledges that it is purchasing \$_____ aggregate principal amount of Arlington Higher Education Finance Corporation (the “Issuer”) Education Revenue Bonds (Logos Preparatory Academy) Series 2026 (the “Bonds”) issued in authorized principal denominations of \$100,000 and integral multiples of \$5,000 in excess thereof, provided that if the Bonds are rated “BBB-” or “Baa3,” as applicable, or better, principal denominations shall be reduced to \$25,000 and any integral multiple of \$5,000 in excess thereof, pursuant to a Trust Indenture and Security Agreement, dated as of March 1, 2026 (the “Bond Indenture”), by and between of the Issuer and UMB Bank, National Association. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Indenture.

This letter is being provided pursuant to a Bond Purchase Agreement, dated February [], 2026 (the “Bond Purchase Agreement”), among the Issuer, Logos Preparatory Academy (the “Borrower”) and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”).

The Investor acknowledges that the proceeds of the Bonds will be used for the purposes, and Bond principal and interest thereon shall be payable solely from the sources, described in the Preliminary Limited Offering Memorandum dated January 30, 2026 (the “Offering Document”).

In connection with the sale of the Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Bonds.
2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b) an “accredited investor” as that term is defined in Rule 501 of Regulation D under the Securities Act, and, therefore, has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.
3. The Investor acknowledges:

The Bonds are being acquired by the Investor for

(A) investment and not with a current view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds the solely for its own account for investment purposes for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Bonds. However, the Investor may sell the Bonds at any time the Investor deems appropriate, subject to the transfer restrictions set forth in the Bonds and in the Bond Indenture. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since a sale of the Bonds, or any portion thereof, prior to maturity may not be possible. The Investor understands that the Bonds will be issued only in authorized minimum denominations, and confirms that it will not allocate Bonds to accounts in violation of such limitations; and

(B) to the extent the Investor is purchasing the Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors which meet the qualifications for investors as set forth in the Bond Indenture and as described in subparagraph 2 of this paragraph. The Investor understands that the Underwriter will not facilitate the establishment of such accounts and that the Bonds will be issued only in authorized minimum denominations, and confirms that it will not facilitate the deposit of Bonds into accounts in violation of such limitations.

4. The Investor understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will carry a rating from a rating agency, and (d) will be delivered in a form that may not be readily marketable.
5. The Investor has been supplied with, and reviewed, a copy of the Offering Document for the Bonds. None of the Issuer, the Borrower nor the Underwriter has made any representations to the Investor other than as set forth in the Offering Document, as amended to the date of this letter.
6. The Investor acknowledges that the obligations of the Issuer under the Bond Indenture are limited and carry material risks associated with the timely and full payment of principal and interest on the Bonds given the nature of the securities and the security pledges including the risks as described in the Offering Documents.
7. The Investor acknowledges and agrees that the Underwriter, the Borrower and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Bond Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer’s obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Investor.
8. The Investor agrees that it is bound by and will abide by the provisions of the Bond Indenture relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Investor.
9. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.

10. The interpretation of the provisions hereof shall be governed and construed in accordance with Texas law without regard to principles of conflicts of laws.
11. All representations of the Investor contained in this letter shall survive the execution and delivery of the Bonds to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date: _____, 2026

Very truly yours,

Investor: _____

By: _____

Name: _____

Title: _____

