

**SECOND AMENDED AND RESTATED
MANAGEMENT AGREEMENT**

This Second Amended and Restated Management Agreement ("Agreement") is made and entered into as of the 1st day of July, 2022 by and between Solid Rock Management Company, a Michigan corporation, ("Manager") and Rutherford/Winans Academy (the "Academy") formed under Part 6A of the Revised School Code (the "Code"), as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.

RECITALS

The Academy is a public school academy, organized under the Code. The Academy has received a Public School Academy Contract and Related Documents (the "Contract") from the Detroit Public Schools Community District ("DPSCD") to organize and operate a public school academy, with DPSCD as the authorizing body. The Code permits a public school academy to contract with persons and entities for the operation and management of the public school academy.

The Academy's Board of Directors (the "Board") believes that Manager has the specialized ability to manage the academic and educational program of the Academy in accordance with the requirements of Board policy, the Academy's charter with DPSCD and applicable law.

The Academy and Manager desire to create an enduring educational affiliation hereunder the Academy and Manager will work together to bring educational excellence and innovation to the Academy based on Manager's school design expertise, comprehensive educational program, institutional principles and management methodologies. Manager shall work to understand the specific vision and design of the Board and shall use best efforts to realize the educational goals and objectives of the Board, as envisioned by the Board.

**ARTICLE I.
CONTRACTUAL RELATIONSHIP**

1.01. Authority. The Academy represents that it is authorized by law to contract with a private entity for the provision of educational management services to the Academy. The Academy further represents that it reasonably anticipates the grant of a new Contract by DPSCD to operate the Academy. The Academy is authorized by DPSCD, as the fiscal agent for the Academy, to provide oversight and is invested with all powers necessary or desirable for carrying out the educational program contemplated in this Agreement. No provision of this Agreement shall interfere with the Academy Board's duties under the Contract. The Academy's duties under the Contract shall not be limited or rendered impossible by action or inaction of Manager.

1.02. Contract. The parties hereto agree that Manager, to the extent permitted by law, shall provide all labor, materials and supervision necessary for the provision of educational services to students of the Academy, and shall provide for the management,

operation and maintenance of the Academy, in accordance with the educational goals, curriculum, methods of pupil assessment, admissions policy and criteria, school calendar and school day schedule, and age and grade range of pupils to be enrolled, educational goals, and methods to be used to monitor compliance with performance of targeted educational outcomes, all as previously adopted by the Board, submitted in the Academy's application to DPSCD, and included in the Contract between the Academy and DPSCD (the "Educational Program").

1.03. Status of the Parties. Manager is not a division or any part of the Academy. The Academy is a body corporate and governmental entity authorized under the Code and is not a division or a part of Manager. The relationship between the parties hereto was developed and is entered into through arms-length negotiations and is based solely on the terms of this Agreement and those of any other agreements that may exist from time to time between the parties hereto.

1.04. Conflict of Interest Policy. Manager must have a written conflict of interest policy. Manager is prohibited from executing any contract with any third party for services to be provided to or on behalf of the Academy if Manager has a conflict of interest. Conflicts of interest arise when a person involved in making a decision for the Academy may have, or be perceived as having, a personal interest in the outcome.

ARTICLE II. TERM

2.01. Term. This Agreement will be for a term of three (3) fiscal school years beginning July 1, 2022 and ending on June 30, 2025 (the "Renewed Term") provided, that the Academy shall have the right to terminate this Agreement, without penalty or cause. In the event DPSCD terminates the Contract prior to the expiration of the term of the Contract or at the end of the third (3rd) fiscal year by providing sixty (60) days prior written notice to Manager of such termination, this Agreement shall also be terminated upon completion of Manager's duties under this Agreement, including, but not limited to, the transition of the Academy to a new ESP and compensation for such assistance as noted in Section 7.04 of this Agreement.

2.02. Term Coterminous with Contract. Notwithstanding any other provision to the contrary, the term of this Agreement shall not exceed the term of the Contract. If the Contract is terminated revoked, or is not renewed by the Authorizer, then the term of this Agreement shall automatically end on the same date the Contract ends with no further action of the parties.

ARTICLE III. FUNCTION OF MANAGER

3.01. Responsibility. Manager shall be responsible and accountable to the Board for the administration, operation and performance of the Academy in accordance with this Agreement, provided, however, that Manager's responsibility is expressly limited by the budget, which Manager and the Academy will agree upon pursuant to the terms of this

Agreement. Neither Manager nor the Academy shall be required to expend Academy funds on services in excess of the amount set forth in such budget. Manager will do all things reasonably and professionally required to maintain the Academy's solvency and to prevent the Academy from experiencing an operating or fund balance deficit.

3.02. Educational Program. The Educational Program has been reviewed and approved by unanimous resolution of the Board adopted for use at the Academy. The Educational Program may be adapted and modified by Manager from time to time, it being understood that an essential principal of this Educational Program is its flexibility, adaptability and capacity to change in the interest of continuous improvement and efficiency, and that the Academy and Manager are interested in results and not in inflexible prescriptions. Any adaptation or modification of the Educational Program shall be subject to the prior approval of the Board, and shall not be effective until DPSCD notifies the Academy that it does not disapprove of such adaptation or modification.

3.03. Specific Functions. Manager shall be responsible for implementation and administration of portions of the Educational Program. Such functions include, but are not limited to:

(a) Strategic Planning. Manager shall work with the Board to design strategic plans for the continuing educational and financial benefit of the Academy.

(b) Public Relations. Manager shall work with the Board to design an ongoing public relations strategy for the development of beneficial and harmonious relationships with other organizations and the community, for joint implementation by the Academy and the Board.

(c) Special Functions. The services which Manager will provide the Academy include, but are not limited to, the following, to the extent allowable under the Contract and applicable law.

1. Educational Planning
 - a. Assist School Principal with planning and writing the curriculum expansion for proposed new grades each year.
 - b. Review and recommend methods of student assessments.
2. Staff Development
 - a. Manage all personnel functions, including professional development for all instructional personnel and the personnel functions outlined in this Agreement.
3. Problem Solving
 - a. Provide counsel and advice to the Principal and/or Board regarding personnel issues.
 - b. Help resolve conflicts between staff, parents, and/or students.

4. Compliance Issues/Reports
 - a. Assist with coordinating/filing membership reports to Wayne RESA.
 - b. Assist with writing/filing annual reports with Michigan Department of Education.
 - c. Prepare and/or assist with any reports required by DPSCD.

5. Personnel Services
 - a. Schedule and interview principals, teachers, and support staff.
 - b. Employ and compensate principals, teachers, and support staff. As used herein, the term "employ" means that Manager shall be the sole employer of staff of the Academy, and shall exclusively exercise all powers to recruit, train, hire, evaluate, and terminate staff, as well as to set compensation levels and benefits for staff. All of these functions shall be accomplished within the dictates of the Contract, applicable law, and Board policy, including the budget.
 - c. Coordinate and provide employee benefit package, including:
 - Health insurance
 - Retirement
 - Dental care
 - Eye care
 - Other benefits specified by the Academy

6. Financial Services
 - Accounts Payable
 - Accounts
 - ReceivableBank
 - deposits
 - Coordination of monthly accounting services for the Academy
 - Budget preparation

3.04. Subcontracts. Manager reserves the right to subcontract any and all aspects of all such other services it agrees to provide to the Academy. Manager shall not subcontract the management, oversight or operation of the teaching and instructional program, except as specifically permitted in this Agreement or with approval of the Board and DPSCD.

3.05. Place of Performance. Manager reserves the right to perform functions other than instruction, such as purchasing, professional development, and administrative functions, off-site at Manager's other locations, if any, unless prohibited by state or local law. All financial, educational, and student records pertaining to the Academy are Academy property and that such records are subject to the provisions of Michigan's Freedom of Information Act. All such records must be stored, in physical form, on-site at the Academy's facility or be directly accessible at the Academy facility. All records pertaining

to teacher and administrator certification, as well as a copy of the employee handbook, shall be maintained physically on site or be directly accessible at the Academy facility.

3.06. Student Recruitment. The Board shall be responsible for establishing the recruitment and admission policies for the Academy. Manager shall implement such policies. Students shall be selected in accordance with the procedures set forth in the Contract and in compliance with the Code and other applicable law.

3.07. Due Process Hearings. Manager and the Academy shall work together to implement student due process hearings as outlined in the Academy's code of conduct in conformity with the requirements of state and federal law regarding discipline, special education, confidentiality, and access to records.

3.08. Legal Requirements. Manager shall provide educational programs that satisfy federal, state, and local requirements, and the requirements imposed under the Code and the Contract.

3.09. Rules and Procedures. Manager shall recommend reasonable rules, regulations and procedures applicable to the Academy and is authorized and directed to enforce such rules, regulations and procedures adopted by the Board.

3.10. School Year and School Day. The school year and the school day shall be as provided in the Contract. The number of days of pupil instruction and the number of hours of pupil instruction shall be consistent with the terms of the Contract and as modified by DPSCD from time to time.

3.11. Authority. Manager shall have all authority and power necessary to undertake its responsibilities described in this Agreement.

3.12. Reporting. Manager shall be responsible for and accountable to the Board for the performance of Manager's responsibilities as set forth herein.

3.13. Transparency. Manager shall provide to the Academy in the format requested by the Board all information and documentation sufficient to satisfy the Board's requirements under the Contract, including but not limited to, the transparency reporting information set forth in Section 12.08 of the Contract and the information required to comply with MCLA 388.1618.

3.14. Additional Grades and Student Population. Manager shall make recommendations to the Board concerning limiting, increasing, or decreasing the number of grades offered and the number of students served per grade or in total, within the limits provided for in the Contract.

3.15. Comply with Contract. Manager agrees to comply with the requirements under the Contract.

**ARTICLE IV.
OBLIGATIONS OF THE BOARD**

4.01. Good Faith Obligation. The Board shall exercise good faith in considering the recommendations of Manager, including but not limited to, Manager's recommendations concerning policies, rules, regulations, procedures, curriculum, and budgets, subject to constraints of law and requirements of the Contract with DPSCD. Manager shall not adopt or implement such recommendations without obtaining prior Board approval. The Board shall retain any authority it may possess to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or enroute to and from the Academy. The Board shall further retain the obligation, as provided in Section 1274 of the Code, MCL 380.1274, to adopt written policies governing the procurement of supplies, materials, and equipment. Manager agrees to comply with all policies enacted by the Board. Manager certifies that (i) there shall be no markup of costs for supplies, materials, or equipment procured by the Manager on behalf of the Academy, (ii) all supplies, materials, and equipment procured for the Academy by the Manager shall be inventoried by an acceptable method of inventory, and (iii) the Manager will maintain an inventory of Academy equipment to enable all parties to clearly determine property belonging to the Academy.

4.02 Conduct Criminal History/Records Check. Board and Manager shall agree to comply with the requirements of Sections 1230 and 1230a of the Code with regard to all persons Manager intends to assign under this Agreement to regularly and continuously work in any of the Academy's facilities or at program sites where the Academy delivers the Educational Program. The Board and/or Manager will:

- (a) request a criminal history check through the Michigan State Police, and criminal records check through the Federal Bureau of Investigation; or
- (b) comply with alternative criminal background check procedures for individuals on whom a criminal background check has been completed and the statutory conditions for use of alternative criminal background check procedures are met; and
- (c) on the Determination for Assignment form, which Manager will provide to the Board for each person it intends to assign under this Agreement to regularly and continuously work in any of the Academy's facilities or at program sites where the Academy delivers the Educational Program, designate such individual as eligible or not eligible to work in a Michigan school based on the information obtained.

The Board will return all of the Determination for Assignment forms to Manager and retain the reports on site from the Michigan State Police, results through the Federal Bureau of Investigation, and will not disclose any report, content, or result received, unless permitted or required by law. Manager will store evidence of such on site, in physical form, at the Academy or be directly accessible at the Academy facility.

**ARTICLE V.
FINANCIAL ARRANGEMENTS**

5.01. Compensation for Services.

(a) For the Renewed Term, the Board shall pay Manager an annual fee for each fiscal year equal to the sum of (i) \$204,768, plus (ii) the lesser of (1) \$204,768 and (2) twelve percent (12%) of the amount, if any, by which the Academy's Total Revenue (as defined below) for such fiscal year exceeds \$1,706,400. In no event will the annual fee payable hereunder exceed 12% of the Academy's Total Revenue. The Academy's Total Revenue for any fiscal year is equal to the aggregate amount received for such fiscal year under the Michigan State School Aid Act of 1979 as amended ("SSA"), federal grant funds (except those federal funds that do not flow through SSA), categorical and other grant monies.

(b) Reasonable Compensation. Manager's compensation under this Agreement is reasonable compensation for services rendered. Manager's compensation for services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the Academy.

5.02. No Related Parties or Common Control. Manager will not have any role or relationship with the Academy that, in effect, substantially limits the Academy's ability to exercise its rights, including cancellation rights, under this Agreement. As required by the Academy's Articles of Incorporation and Bylaws, and as required by the Contract, the Board may not include any director, officer or employee of a management company that contracts with the Academy. In furtherance of such a restriction, it is agreed between the Academy and Manager that none of the voting power of the governing body of the Academy will be vested in Manager or its directors, members, managers, officers, shareholders, and employees, and none of the voting power of the governing body of Manager will be vested in the Academy or its directors, members, managers, officers, shareholders, and employees. The Academy and Manager will not employ the same individuals. Further, Manager has represented to the Academy that the Academy and Manager will not be members of the same controlled group, as defined in Section 1.414(b)-1 of the regulations under the Internal Revenue Code of 1986, as amended, or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code of 1986, as amended.

5.03. Payment of Costs. In addition to the fee described in Section 5.01, the Academy shall reimburse Manager for all costs incurred and paid by Manager in compensating its employees who perform or provide services on behalf of the Academy at the Academy's location. Such employees are the principal, teachers, and support staff providing direct services at the Academy location. For purposes of this Agreement "Compensating" and "Compensation" shall include salary, health insurance, dental care insurance, eye care insurance, retirement/pension benefits, other fringe benefits, and all payroll taxes required to be paid by Manager under applicable law including unemployment and social security tax payments. Manager shall not provide for compensation beyond the level set forth in the Academy's duly adopted budget.

5.04. Time and Priority of Payments.

(a) Timing of Fee. The fee due to Manager pursuant to Section 5.01 shall be calculated for each school year at the same time as the state of Michigan calculates the SSA, and any adjustments to such calculation by the State of Michigan shall occur at the same time as the State of Michigan makes adjustments to the SSA. Manager shall receive its fee under Section 5.01, as calculated pursuant to the preceding sentence, according to the number of installments made by the state of Michigan. Such installments shall be due and payable within five business days upon receipt from the authorizer.

(b) Reimbursements. Payments due and owing to Manager pursuant to Section 5.03 shall be made by the Academy to Manager within ten (10) days of the Academy's receipt of the invoice billing.

(c) Priority of Payments. The Academy shall satisfy its payment obligations under this Article to Manager in the following order of priority with State School Act of 1979 (Public Act 94 of 1979), as amended, which is codified at Sections 388.1601 to 388.1896 of the Michigan Compiled Laws funds received from DPSCD, (i) provided that there has been no material breach under the Contract by the Academy or its Manager; (ii) provided that DPSCD has not been directed by the Michigan Department of Education to withhold payment of any State School Aid to the Academy; (iii) subject to any contractual right DPSCD may have to withhold a portion of any State School Aid as payment for services provided by DPSCD to the Academy, and (iv) otherwise pursuant to terms of the Contract: (1) to reimburse Manager pursuant to Section 5.03 for sums due and owing for previous months; (2) to reimburse Manager pursuant to Section 5.03 for sums due and owing for the current month; (3) to pay Manager for installment payments of Manager's fee due and owing pursuant to Section 5.01 for previous months; and (4) to pay Manager for installment payments of Manager's fee due and owing pursuant to Section 5.01 for the current month.

(d) No Markup. Any equipment and supplies purchased with Academy funds shall be Academy property. Manager certifies that it will not mark up costs for supplies, materials, equipment, or services procured by Manager on behalf of the Academy and will inventory all supplies, material, and equipment located at the Academy and provide same to the Academy Board. Manager agrees to follow the Board's written policies governing the procurement of supplies, materials, and equipment in compliance with section 380.1274 of the Code.

5.05. Other Institutions. The Academy acknowledges that Manager may enter into similar management agreements with other public or private educational schools or institutions ("Institutions"). Manager shall maintain separate accounts for reimbursable expenses incurred on behalf of the Academy and other Institutions, and only charge the Academy for expenses incurred on behalf of the Academy. If Manager incurs authorized reimbursable expenses on behalf of Academy and other Institutions which are incapable of precise allocation between the Academy and such

Institutions, then Manager shall itemize the expenses and allocate such expenses among all such Institutions, and the Academy, on a pro-rata basis based upon the number of students enrolled at the Academy and the Institutions, or upon such other equitable basis as is acceptable to the parties. All grants or donations received by the Academy, or by Manager for the specific benefit of the Academy, shall be maintained in separate accounts and used solely for the Academy.

5.06. Financial Reporting. Manager shall provide the Board with:

(a) Assistance to the Academy's auditor in its performance of annual audits in compliance with state law. Manager shall not select or retain the Academy's auditor. Further, the Academy's financial and other Manager-related records will be made available to the Academy's independent auditor and the Manager will cooperate with said auditor.

(b) Reports on Academy operations, finances, and student performance, upon the request of the Academy, DPSCD, or the State of Michigan, but not less frequently than four (4) times per year.

(c) Other information on a periodic basis to enable the Board to monitor Manager's educational performance and the efficiency of its operations of the Academy.

5.07. Access to Records. Manager shall keep accurate records pertaining to its operation of the Academy, together with all Academy records prepared by or in the possession of Manager and maintain all such records on site at the Academy. Upon termination or expiration of this Agreement, Manager shall turn over an orderly and organized set of such records to the Academy.

5.08. Independent Auditor. The Academy's financial and other records related to the Manager will be made available to the Academy's independent auditor, who shall be selected and solely retained by the Board. Manager's staff will cooperate with the independent auditor.

5.09. Approval of Budget. The Board shall be responsible for approving the annual budget of the Academy.

ARTICLE VI. PERSONNEL AND TRAINING

6.01. Personnel Responsibility. Subject to the Contract, Manager shall have the responsibility and authority to determine staffing levels, and to select, evaluate, assign, discipline and transfer personnel, consistent with state and federal law, and consistent with the parameters adopted and included within the Educational Program. No employee of Manager shall be designated as the Chief Administrative Officer of the Academy, as defined in Section 2b (3) of the Uniform Budgeting and Account Act, Act

2 of 1968, as amended, but an employee of Manager may be a designee of the Chief Administrative Officer for certain ministerial functions.

6.02. Principal. Because the accountability of Manager to the Academy is an essential foundation of this partnership, and because the responsibility of a principal ("Principal") is critical to its success, the principal will be an employee of Manager and Manager will have the authority, consistent with state law and subject to the approval of the Board, to select and supervise the principal and to hold him or her or accountable for the success of the Academy. The employment contract with the principal and the duties and Compensation of the Principal shall be determined by Manager, subject to the annual budget approved by the Board. The Principal and Manager, in turn, will have similar authority to select the teachers in the Academy, subject to review and approval by the Board.

6.03. Teachers. Manager shall determine the number of teachers required for the operation and the applicable grade levels and subjects required for the operation of the Academy. Manager shall provide the Academy with such teachers, qualified in the grade levels and subjects, as are required by the Academy. The curriculum taught by such teachers shall be the curriculum prescribed by the Academy. Such teachers may, in the discretion of Manager, work at the Academy on a full or part time basis. If assigned to the Academy on a part time basis, such teachers may also work at other schools managed or operated by Manager. Each teacher assigned to the Academy shall hold a valid teaching certificate issued by the State Board of Education under the Code, to the extent required under the Code and have undergone a criminal background check and unprofessional conduct check, as required under the Code.

6.04. Support Staff. Manager shall determine the number and functions of support staff required for the operation of the Academy. The parties anticipate that such support staff may include clerical staff, administrative assistants to the principal, a bookkeeping staff, and the like.

6.05. Employer of Personnel. The principal and all teaching and instructional personnel provided by Manager to the Academy pursuant to this Agreement, and performing functions on behalf of the Academy shall be employees of Manager and not the Academy. Compensation, payroll taxes and benefits of all employees of Manager performing services at the Academy as principal, teachers or support staff shall be paid by Manager and reimbursed by the Academy. Manager shall be responsible for paying social security, unemployment, and any other taxes required by law to be paid on behalf of its employees. Unless required by applicable statute, court or administrative decision, or Attorney General's opinion, Manager shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. Teachers employed by Manager shall not be considered teachers for purposes of continuing tenure under MCLA 38.71-38.191.

6.06. Training. Manager shall provide training in its methods, curriculum, program, and technology, to all teaching personnel, on a regular and continuous basis. Such methodology shall at a minimum use Manager's teaching staff to utilize their own professional abilities to provide in-service training to each other. Non-instructional personnel shall receive such training as Manager determines as reasonable and necessary under the circumstances.

6.07. Noncompete. Manager may not enter into a noncompete agreement with any of Manager's staff assigned to the Academy.

ARTICLE VII. TERMINATION OF AGREEMENT

7.01 By Manager.

(a) Manager may terminate this Agreement prior to the end of the term specified in Article II in the event the Board fails to remedy a material breach within 60 days after notice from Manager. A material breach includes, but is not limited to, the Academy's failure to pay any fee or reimbursement required by the terms of this Agreement. Termination shall not relieve the Academy of any obligations for payments outstanding to Manager as of the date of termination; the Academy shall not be obligated to make further payments to Manager.

(b) By Academy. The Academy may terminate this Agreement prior to the end of the Renewed Term (i) pursuant to the proviso to Section 2.01 or (ii) in the event that Manager shall fail to remedy a material breach within 60 days after notice from the Board. Material breach includes, but is not limited to: (1) failure to account for its expenditures or to pay Academy operating costs as required under this Agreement (provided funds are available to do so), (2) failure to substantially follow policies, procedures, rules, regulations or curriculum duly adopted by the Board which are not in violation of the Contract, this Agreement, or law, or (3) failure to abide by and meet educational goals set forth in the Contract.

In the event DPSCD determines to exercise its prerogative under the Contract to reconstitute the Academy by requiring the early termination or amendment of this Agreement, such early termination or amendment of this Agreement, will be with no cost or penalty to the Academy, and no recourse to DPSCD or any third party affiliated with or engaged by DPSCD, by the Manager or any subcontracted person or entity of the Manager,

7.02. Change in Law. If any federal, state or local law or regulation, or court or administrative decision or Attorney General's opinion has a material adverse impact on the ability of either party to carry out its obligations under this Agreement and if the parties are unable or unwilling to renegotiate the terms within 30 days after such change in law, the party requiring the renegotiation may terminate this Agreement on 30 days' further written notice.

7.03. Termination/Expiration.

(a) Effective Date of Termination. In the event this Agreement is terminated by either party prior to the end of the Renewed Term specified in Article II, absent unusual and compelling circumstances, the termination will not become effective until the end of the academic year following the notice of termination.

(b) Personal Property. Upon termination or expiration of this Agreement, for any reason, the Academy shall elect whether to (a) return any property that has been purchased or leased from a third party with Manager funds to Manager or (b) purchase such property from Manager or said third party for the fair market value of said equipment. All property purchased with funds belonging to the Academy, shall be and remain property of the Academy.

(c) Future Advances/Out-of-Pocket Expenses. Manager shall not make future advances or expend funds out-of-pocket, unless specifically in accordance with the terms of this Agreement.

7.04. Transition. In the event of termination of this Agreement for any reason by either party or pursuant to the terms of the Contract prior to the end of the Renewed Term, Manager shall provide the Academy good faith, reasonable assistance for up to 90 days to assist in the transition to a new management format or to another manager. Manager may charge a reasonable fee for the service specified in the previous sentence. Upon termination, and without charge, the Manager shall (i) close the books on the then-current fiscal quarter; (ii) organize and prepare the Academy's records for transition to a new manager, if any; (iii) organize and prepare student records for transition to a new manager, if any; and (iv) provide for the orderly transition of employee compensation and benefits to a new manager, if any, without disruption to staff.

7.05. Reconstitution. In the event DPSCD exercises its right under section 507(6) of the Code to reconstitute the Academy by requiring early termination or amendment of the Contract or by revoking the power of the Academy to enter into agreements with educational service providers, then neither DPSCD nor any third party affiliated with or engaged by DPSCD shall be liable for such action. Other than the Academy's obligation to make payments and to reimburse amounts owed under this Agreement to Manager as of the date of early termination or amendment of the Contract, such early termination or amendment will not result in additional cost or penalty to the Academy and the obligation to make any other payments shall end as of the date of such termination.

**ARTICLE VIII.
PROPRIETARY INFORMATION**

8.01. Required Disclosure. The Academy shall be permitted to report any new teaching techniques or methods or significant revisions to known teaching techniques or methods to DPSCD and to the State Board of Education, which teaching techniques or methods may thereafter be made available to the public, as provide in Sections 505(3) of the Code.

To the extent required under the Code and the Freedom of Information Act, MCLA 15.231 et seq., Manager's educational materials and teaching techniques used at the Academy are subject to public disclosure.

8.02. Ownership. All instructional materials, training materials, curriculum, lesson plans, and any other materials designed or developed by Manager with funds Manager received from the Academy shall be considered "work made for hire" as such term is defined in Section 101 of the Copyright Act, 17 U.S. Code, Section 101, and the Academy shall own all copyright and other proprietary rights to such instructional materials, training materials, curriculum, lesson plans, and materials developed by the Manager, its employees, agents, or subcontractors performing under this Agreement.

ARTICLE IX. INDEMNIFICATION

9.01. Indemnification of Manager. To the extent permitted by law, the Academy shall indemnify and save and hold Manager and all of its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason of, any noncompliance by the Academy with any agreements, covenants, warranties, or undertakings of the Academy contained in or made pursuant to this Agreement, and any misrepresentations or breach of the representations and warranties of the Board contained in or made pursuant to this Agreement. In addition, the Academy shall reimburse Manager for any and all legal expenses and costs associated with the defense of any such claim, demand or suit. The indemnification requirements of this section may be met by the purchase of insurance pursuant to Article X.

9.02. Limitations of Liabilities. The Academy may, in its discretion, assert any immunities or statutory limitations of liability in connection with any claims arising under this Agreement.

9.03. Indemnification of Academy. Manager shall indemnify and save and hold the Academy and all of its employees, officers, directors, subcontractors and agents harmless against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason, of any noncompliance by Manager with any agreements, covenants, warranties or undertakings of Manager contained in or made pursuant to this Agreement, and any misrepresentation or breach of the representations and warranties of the Manager contained in or made pursuant to this Agreement. In addition, Manager shall reimburse the Academy for any and all legal expenses and costs associated with the defense of any such claim, demand or suit. The indemnification requirements of this section may be met by the purchase of insurance pursuant to Article X.

9.04. Indemnification of DPSCD. In consideration for the grant of the Contract to the Academy, which is of material value to Manager, the parties to this Agreement hereby promise to indemnify and hold harmless DPSCD and its Board of Education (collectively and individually), officers, employees, agents, or representatives from all claims, demands or liability, including attorney fees, and related expenses on account of injury,

loss or damage, including without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of DPSCD or its Board, which arise out of or are in any manner connected with DPSCD's approval of the Application, the Board of Education's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by DPSCD and its Board of Education (collectively and individually), officers, employees, or agents, or representatives upon information supplied by the Academy or the Manager or which arise out of a failure of the Academy to perform its obligations under the Contract issued to the Academy by the Board of Education. Manager expressly acknowledges and agrees that DPSCD and the Board of Education (collectively and individually), officers, employees, agents, or representatives may commence legal action against Manager to enforce its rights as set for in this Agreement.

**ARTICLE X.
INSURANCE**

10.01. Insurance Coverage. The Academy and Manager shall maintain such policies of insurance as required by the Contract, Michigan Universities Self-Insurance Corporation ("MUSIC"), or applicable law. The insurance must be obtained from a mutual stock, or other responsible company licensed to do business in the State of Michigan. The Academy and Manager will name DPSCD as an additional insured on such policies. The Academy and Manager may join with other public school academies to obtain insurance if the Academy and Manager find that such an association would provide economic advantages to the Academy. During the term of the Contract, the Academy and Manager shall maintain insurance coverage as follows:

POLICY TYPE	MINIMUM COVERAGE REQUIREMENTS
<p><i>Commercial Property Policy</i> This shall be an all risk policy covering real and personal property of the Academy both on premises and in transit. Replacement cost coverage is required.</p>	<p>Replacement cost for the Academy's real and personal property on the premises and in transit.</p>
<p><i>Comprehensive General Liability</i> This shall include, but not be limited to, personal injury and property damage for premises and operations product liability, fire legal liability, non-owned automobile and contractual liability.</p>	<p>\$1,000,000 per occurrence/\$2,000,000 aggregate</p>
<p><i>Automobile Liability/Statutory No-Fault</i> This coverage must be provided on all licensed vehicles owned, leased, or rented by the Academy.</p>	<p>\$1,000,000</p>

<i>Umbrella Excess Liability</i> This coverage must provide a minimum of follow form excess liability coverage.	\$2,000,000
<i>Workers Compensation</i> <i>Statutory benefits for the State of Michigan. This coverage must provide wage and medical benefits of work-related injuries and employer's liability coverage.</i>	As required by Michigan law Employer's Liability coverages of \$500,000
<i>Employee Fidelity Bond or Equivalent</i> This policy must include, but not be limited to, employee theft, forgery, burglary, and robbery both on and off premises.	\$500,000
<i>PSA Board Directors Liability</i> This policy should cover the PSA Board, executive staff, and employees for "wrongful acts" errors or omissions not typically covered by general liability policies.	\$1,000,000
<i>Molestation and Abuse Rider</i>	\$1,000,000/\$2,000,000 aggregate

The Academy and Manager shall require any and all third parties retained to perform or to assist in performing duties and obligations specified under the Contract to maintain insurance coverage in such amount and on such terms consistent with this Section, and shall name DPSCD as an additional insured. Insurance certificates documenting purchase of the required insurance, including any updates to such policies, shall be secured by the Academy and Manager and held onsite, and copies shall be provided to DPSCD as soon as possible, and in any event no later than within seven (7) days of the expiration or replacement of such insurance policies.. The Academy shall maintain insurance on its facility and related capital items leased by the Academy, all as may be required by the terms of the Academy's lease(s). Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this paragraph. In the event that MUSIC or DPSCD modifies the level, type, scope, or other aspect of such coverage, than Manager agrees to undertake like and similar modifications within thirty (30) days of being notified of such change.

10.02. Worker's Compensation Insurance. Each party shall maintain workers' compensation insurance as required by law, covering their respective employees, if any.

ARTICLE XI. WARRANTIES AND REPRESENTATIONS

11.01. Academy Warranties and Representations. The Academy represents that it has the authority under law to execute, deliver, and perform this Agreement and to incur the obligations provided for under this Agreement. The Board warrants that its actions have

been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

11.02. Manager Warranties and Representations. Manager warrants and represents that it is a corporation in good standing and is authorized to conduct business in the State of Michigan. Manager represents that it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. Manager warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

11.03. Mutual Warranties. Each party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

ARTICLE XII. ALTERNATIVE DISPUTE RESOLUTION PROCEDURE

12.01. Any and all disputes between the parties, concerning any alleged breach of this Agreement, or arising out of or relating to the interpretation of this Agreement or the parties' performance of their respective obligations under this Agreement, shall be resolved by arbitration, and such procedure shall be the sole and exclusive remedy for such matters. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association, by an arbitrator knowledgeable and expert in Michigan and federal education law with such variations as the parties and arbitrators unanimously accept. The arbitrators' award shall be final and binding. A judgment on the award rendered by the arbitrators may be entered in any court having appropriate jurisdiction.

ARTICLE XIII. MISCELLANEOUS

13.01. Sole Agreement. This Agreement constitutes the entire agreement of the parties and supersedes and replaces any and all prior agreements and understandings between the Academy and Manager.

13.02. Force Majeure. Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, accident, labor strike, flood, or other acts beyond its reasonable control; provided either party may terminate this Agreement under Article VII if sufficient grounds exist as required by Article VII.

13.03. State Governing Law. The rights of all parties hereto shall be subject to the jurisdiction of and be construed according to the laws of the State of Michigan.

13.04. Official Notices. All notices and other communications required by the terms of this Agreement shall be in writing and sent to the parties hereto at the address set forth below. Notice may be given by: (1) certified or registered mail, postage prepaid, return receipt requested, or (2) personal delivery. The address of the parties hereto for the purposes aforesaid shall be:

If to DPSCD: Detroit Public Schools Community District
Charter School Department
3011 W. Grand Blvd., 9th Floor
Detroit, Michigan 48202

With a copy to: Detroit Public Schools Community District
Office of the General Counsel
3011 W. Grand Blvd., 10th Floor
Detroit, Michigan 48202

If to the Academy: Rutherford/Winans Academy
16411 Curtis Street
Detroit, Michigan 48235

With copies to: Deborah L. Baughman
Jaffe, Raitt, Heuer & Weiss, Professional Corporation
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034

And

Joe Urban
Clark Hill LLC
151 S. Old Woodward, Suite 200
Birmingham, Michigan 48009

If to Manager: Marvin L. Winans
Solid Rock Management Company
7616 E. Nevada St.
Detroit, Michigan 48234

With a copy to: Steven G. Cappellino
Varnum LLP
160 W. Fort Street, 5th Floor
Detroit, Michigan 48226

13.05. Assignment. This Agreement may not be assigned by Manager without the prior consent in writing of the Academy (which consent shall not be unreasonably withheld) or by the Academy without the prior consent in writing of Manager (which consent shall not be unreasonably withheld, provided that Manager may, without the consent of the Academy, delegate the performance of but not responsibility for any duties and obligations of Manager hereunder to any independent contractor, expert, or professional adviser.

13.06. Amendment. This Agreement shall not be altered, amended, modified or supplemented except by memorandum approved by the Board and signed by both the President of the Academy and an authorized officer of Manager. In addition, the Board must submit any and all amendments or modifications of this Agreement to DPSCD not less than 45 days prior to the Board's approval of amendments or modifications. No amendment or modification of this Agreement shall be effective unless and until DPSCD has notified the Academy in writing that it does not disapprove of the amendment or modification.

The Academy Board and Manager may not agree to amend this Agreement without notifying DPSCD. No amendment shall be contrary to the Contract, and each shall be accompanied by a Legal Opinion required under Section 9.01 of the Contract. Whether or not substantial, the Academy shall submit to DPSCD all amendments to this Agreement within ten (10) days the effective date of the amendment. No amendment will be effective until DPSCD notifies the Academy that it does not disapprove the amendment.

13.07. Amendment for Obtaining Tax-Exempt Financing. The parties agree to promptly amend this Agreement to comply with reasonable interpretations of Revenue Procedure 97-13 or any successor document should such be necessary for participation by the Academy in tax-exempt financing of operational or facilities-related indebtedness requested by the Academy Board and undertaken in compliance with the Contract.

13.08. Waiver. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated. The rights and remedies of the parties under this Agreement are cumulative and not exclusive of any rights or remedies which any of them may otherwise have.

13.09. Severability. The invalidity of any of the covenants, phrases, or clauses in this Agreement shall not affect the remaining portions of this Agreement, and this Agreement shall be construed as if such invalid covenant, phrase or clause had not been contained in this Agreement.

13.10. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and assigns.

13.11. No Third-Party Rights. This Agreement is made for the sole benefit of the Academy and Manager. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to create a relationship between the parties to this Agreement, or either of them, and any third person, including a relationship in the nature of a third-party beneficiary or fiduciary.

13.12. Survival of Termination. All representations, warranties, and indemnities made in this Agreement shall survive termination of this Agreement.

13.13. Approval of DPSCD Required. The parties hereto acknowledge that this Agreement must be reviewed by DPSCD and may be disapproved by DPSCD. This Agreement shall not become effective until DPSCD notifies the Academy that it has not disapproved the Agreement.

13.14. Conflict with Contract. Manager and the Academy have received and reviewed the Contract. No portion of this Agreement shall conflict with the Contract. To the extent that there is conflict between this Agreement and any term of the Contract, whether now or in the future, the Contract shall govern. Manager agrees to comply with each and every section of the Contract applicable to it and to comply with the provisions prohibiting conflicts of interest in the Contract and under applicable law.

13.15. Bankruptcy. Manager will notify the Board if Manager or any principal or officer of Manager, including any related organizations or organizations in which a principal or officer of Manager served as a principal or officer, files for bankruptcy protection in the last 6 months or within applicable preference period, whichever is longer.

13.16. Counterparts: copies. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement, and copies (facsimile, photostatic, electronic or otherwise) of signatures to this Agreement shall be deemed to be originals and may be relied upon to the same extent as though such copy or fax was an original.

[Signatures on next page]

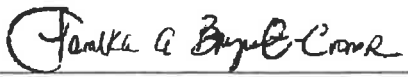
IN WITNESS WHEREOF, the undersigned have executed this Second Amended and Restated Management Agreement as of the date and year first above written.

Solid Rock Management Company

Rutherford Winans Academy



Signature



Signature

6/20/22

Date

6/20/22

Date

19707597.1