

EDUCATIONAL SERVICE PROVIDER AGREEMENT

This Educational Service Provider Agreement is made and entered into as of the 1st day of July 2011, by and between The Romine Group, Inc, (hereafter referred to as "TRG") a Michigan corporation located at 7877 Stead, Utica, Michigan and Madison Academy ("Academy") by and through its Board of Directors ("Academy Board") 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 located in Michigan.

The following is a recital of facts underlying this Agreement:

The Academy is a public school academy, organized under the Revised School Code (the "Code"). The Academy has been issued a contract (the "Contract") from the Bay Mills Community College Board of Trustees ("College Board") to organize and operate a public school academy, with the College Board as the 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.

TRG specializes in providing educational institutions, vocational schools, businesses, churches and other organizations with a variety of educational services and products, including management, curriculums, educational programs, teacher training, and technology. TRG products and services are designed to serve the needs of a diverse student population.

The Academy and TRG desire to create an enduring educational partnership, whereby the Academy and TRG will work together to bring educational excellence and innovation to the Flint and entire Genesee County area, based on a cooperative school design, comprehensive educational program, institutional principles and management methodologies.

In order to facilitate the commencement of school during the 2011-2012 school year and the continuation of school indefinitely thereafter, and implement an innovative educational program at the school, the parties, desire to establish this arrangement for the management and operation of certain of the Academy's educational and administrative activities or functions.

Therefore, it is mutually agreed as follows:

ARTICLE I

TERM

This Agreement shall become effective upon execution and shall cover five (5) academic years, with the entire term to end on June 30, 2016.

Notwithstanding the termination of the Contract, this Agreement shall continue to remain in effect provided that: (1) the Academy has entered into a contract with another authorizing body (as defined under the Code); and (2) this Agreement has not been terminated pursuant to Article VIII.

In addition to the provisions of Article VIII of this agreement, this agreement shall have a termination option, at the will of the Academy, with or without cause, on or after the third anniversary date of the effective date of this Agreement (i.e. June 30, 2014). Written notice of said termination shall be provided 30 days in advance of the desired termination date.

ARTICLE II

CONTRACTUAL RELATIONSHIP

A. Authority. The Academy represents that it is authorized by law to contract with a private entity

and for that entity to provide educational and management services. The Academy further represents that it will be or anticipates that it will be issued a contract by the College Board to organize and operate a public school academy situated in Michigan. The Academy is therefore authorized by the College Board to supervise and control such academy, and is vested with all powers within applicable law for carrying out the educational program contemplated in this Agreement.

- B. Contract.** Acting under and in the exercise of such authority, the Academy hereby contracts with TRG to the extent permitted by law, to provide all functions relating to the provision of educational services and the management and operation of the Academy in accordance with the terms of this Agreement and the Academy's authorizing documents.
- C. Status of the Parties.** TRG is a for-profit corporation, and is not a division or a part of the Academy. The Academy is a body corporate and governmental entity authorized by the Code, and is not a division or part of TRG. The relationship between TRG and the Academy is based solely on the terms of this Agreement
- D. Independent Contractor Status.** The parties to this Agreement intend that the relationship between them created by this Agreement is that of an independent contractor, and not employer-employee. No agent or employee of TRG shall be determined to be the agent or employee of the Academy except as expressly acknowledged in writing by the Academy. Notwithstanding the foregoing, TRG and its employees are designated as agents of the Academy for the limited purpose of allowing them access to educational records under the federal Family Educational Rights and Privacy Act. TRG will be solely responsible for its acts and the acts of its agents, employees, and subcontractors.

ARTICLE III
FUNCTIONS TO BE PERFORMED BY THE CONTRACTOR

In consideration of the management fee paid by the Academy, TRG shall perform the following:

- A. **Responsibility.** TRG shall be responsible, and accountable to the Academy, for the management, operation and performance of the Academy.
- B. **Educational Program.** Subject to the contract the educational program and the program of instruction shall be designed by TRG in cooperation with the Academy, and may be adapted and modified from time to time, it being understood that an essential principle of a successful, effective educational program is its flexibility, adaptability, and capacity to change in the interest of continuous improvement and efficiency, and that the Academy and TRG are interested in results and not in inflexible prescriptions.
- C. **Strategic Planning.** TRG shall help design strategic plans for the continuing educational and financial benefit of the Academy.
- D. **Public Relations.** TRG shall 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 its Board.
- E. **Special Functions.** The services TRG will provide the Academy include, but are not limited to the following:

Operational Public School Academy Services

1.Financial

- * Develop salary schedules
- * Select benefit packages
- * Determine retirement options
- * Provide payroll service
- * Provide cash flow budgets
- * Assist with yearly audit and locating C.P.A.
- * Pay approved invoices on a timely basis

2.Educational Planning

- * Curriculum expansion
- * Selection of assessments
- * School improvement plans
- * Accreditation .North Central Association/Education
- * Technology plan

3.Staff Development

- * Assist with workshops and seminars
- * Assist with Professional Growth activities

4.Problem Solving

- * Personnel issues
- * Conflict resolution
- * Student/parent/teacher issues

5.Compliance Issues

- * Membership reports
- * Annual reports
- * Budgets/financial plans
- * Annual audits

6.Equipment/Furniture

- * Recommend phone system
- * Bids for classroom furniture
- * Recommend office machines
 - fax
 - answering
 - duplicating/copy
 - computers

7.Contractd Services (as needed)

- * Maintenance (building)
- * Cleaning supplies/equipment
- * Snow removal
- * Lawn service

- * Painting
- * Landscaping
- * Parking lot maintenance
- * Playground equipment
- * Athletic equipment

8. Other functions

Other functions not indicated here will be completed based on a mutually agreed upon schedule and for a mutually agreed upon fee between the Academy and TRG. These functions may include but are not be limited to Facility Renovations, Locating a New Site, Construction of a New Facility, Financing of Facilities, Special Cash Flow Loans, Grant writing, Etc.

Assets provided, or caused to be provided, to the Academy by TRG with funds TRG has received from sources other than the Academy under Article V shall remain the property of TRG or the providing entity unless agreed in writing to the contrary. All acquisitions made by TRG for the Academy with funds TRG has received pursuant to Article V including, but not limited to, instructional materials, equipment, supplies, furniture, computers and other technology, shall be owned by and remain the property of the Academy.

F. Subcontracts. TRG reserves the right to subcontract any and all aspects of all support services it agrees to provide to the Academy, including, but not limited to transportation, food service, payroll and/or any computer services. TRG shall not subcontract the management, oversight, staffing, or operation of the teaching and instructional program, except as specifically permitted herein or with the prior consent of the Academy Board.

G. Place of Performance. TRG reserves the right to perform functions other than instruction, such as purchasing, professional development and administrative functions, off site, unless prohibited

by the contract or applicable law.

H. Student Recruitment. TRG and the Academy shall be jointly responsible for the recruitment of students subject to agreement on general recruitment and admission policies. Application by or for students shall be voluntary, and shall be in writing. Students shall be selected in accordance with the procedures set forth in the Academy's Contract and in compliance with the Code and other applicable law.

I. Legal Requirements. TRG shall assist in providing educational programs that meet federal, state, and local laws and regulations, and the requirements imposed under the Code and the Academy's Contract, unless such requirements are, or have been waived.

J. Rules and Procedures. TRG 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 Academy Board.

K. School Years and School Day. The school year and the school day shall be scheduled as required by law and the Contract.

L. Additional Grades and Student Population. TRG in connection with the Academy Administrator shall make the recommendation to the Academy 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 by the Contract

M. Shared Teacher Services The Academy authorizes TRG to seek out and present for Board approval on each occasion any shared teacher opportunities. For each such opportunity,

TRG is authorized to execute contracts necessary to secure the same, provided each such contract is approved by the Board in advance and provided further that all such contracts and the performance thereof are in accordance with applicable law and any authorizer requirements and any other prior approvals necessary at the time. Any course of instruction provided pursuant to a shared teacher arrangement from this paragraph must also be offered to students of the Academy.

The Academy has already approved arrangements at the following two locations and same are hereby ratified as having been approved in accordance with this paragraph:

St. Pius X Catholic School
3139 Hogarth Avenue
Flint, Michigan 48503

Holy Rosary Catholic School
5191 Richfield Road
Flint, Michigan 48506

ARTICLE IV

OBLIGATIONS OF THE BOARD

The Academy shall exercise good faith in considering the recommendations of TRG and the Academy Administrator including, but not limited to their recommendations concerning policies, rules, regulations, procedures, curriculum, budgets, fund raising, public relations and school entrepreneurial affairs. TRG does understand all of these decisions remain the

responsibility of the Academy Board and may not be delegated directly to TRG.

ARTICLE V

FINANCIAL ARRANGEMENTS

A. Compensation for Services In each academic school year from July 1, 2011 through June 30, 2016 (5 academic years), the Academy shall pay TRG a capitation fee of an amount equal to eleven (11%) of the state school aid the State of Michigan determines the Academy is entitled to receive pursuant to the State School Aid Act of 1979, as amended, or any successor statute (the "SSA"). The SSA may change according to overall changes in the student allocations by the State of Michigan. SSA shall also include any and all other governmental revenue sources including, but not limited to, the Federal Education Stabilization funds made available under the American Recovery and Reinvestment Act to be used for education operational purposes and which are not otherwise restricted by law from being used to pay compensation to TRG as provided in this agreement. At no time shall the capitation fee exceed \$800,000 for any academic year nor shall the capitation fee be less than \$400,000 for any academic year, subject to change by written agreement of the parties in a subsequent amendment based upon fluctuations in annual enrollment.

B. No Related Parties or Common Control. TRG 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 restriction, it is agreed between the Academy and TRG that none of the

voting power of the governing body of the Academy will be vested in TRG or its directors, members, managers, officers, shareholders, and employees, and none of the voting power of the governing body of TRG will be vested in the Academy or its directors, members, managers, officers, shareholders, and employees. The Academy and TRG will not employ the same individuals. Further, the Academy and TRG will not be members of the same controlled group, as defined in Section 1.150-1 (f) 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.

C. Payment of Costs. In addition to the fee described in this Section, the Academy shall reimburse TRG for all costs incurred and paid by TRG in providing the Educational Program and other goods and services pursuant to Articles III, V, VI, and XI of this Agreement at the Academy provided such costs are consistent with the Academy budget approved by the Academy Board. Such costs include, but are not limited to, advertising, typing, printing, duplicating, postage, application fees, curriculum materials, textbooks, library books, furniture and equipment, computers, supplies, salaries and related expenses of TRG employees assigned to the Academy to provide goods and services to the Academy, building payments, maintenance, capital improvements and subcontractor fees. In paying costs on behalf of the Academy, TRG shall not charge an added fee. The Academy shall not reimburse TRG for any costs incurred or paid by TRG as a result of services provided or actions taken pursuant to Articles I, II, IV, VII, VIII (except as otherwise specifically indicated), IX, X, XII, XIII, and XIV of this Agreement.

D. Time and Priority of Payments. The fee due to TRG shall be calculated for each school

year at the same time as the State of Michigan calculates the SSA, and adjustments to such calculation shall occur at the same time as the State of Michigan makes adjustments to the SSA. TRG shall receive its fee as calculated pursuant to the preceding sentence in eleven (11) installments beginning in October of each school year and ending in August of each school year. Such installment amounts shall be due and payable within five (5) days of receipt by the Academy of its monthly SSA. Payments due and owing to TRG shall be made by the Academy to TRG on or before the last day of each month.

E. Other Revenue Sources. In order to supplement and enhance the school aid payments received from the State of Michigan, and improve the quality of education, the Academy and TRG shall endeavor to obtain revenue from other sources. In this regard:

- (1) The Academy and/or TRG shall solicit and receive grants and donations consistent with the mission of the Academy.
- (2) Academy and/or TRG may apply for and receive grant money, in the name of TRG or the Academy.
- (3) To the extent permitted under the Code and approved by the Academy Board, TRG may charge fees to students for extra services such as summer and after school programs, athletics, etc., and charge non-Academy students who participate in such programs. TRG and the Academy will have a written agreement with the terms and conditions that are agreed upon by both parties in

advance of TRG conducting such programs.

F. Other Institutions. The Academy acknowledges that TRG may enter into similar management agreements with other public or private educational schools or institutions (“Institutions”). TRG 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 TRG incurs authorized reimbursable expenses on behalf of Academy and other Institutions which are incapable of precise allocation between the Academy and such Institutions, to the extent permitted under applicable law, then TRG, shall allocate such expenses, with the individual academy board approval, 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 TRG for the specific benefit of the Academy, shall be used solely for the Academy.

G. Financial Reporting. TRG shall provide the Academy with:

- (1) A projected annual budget for the 2011-2012 school year and with a projected annual budget prior to each school year thereafter in accordance with the terms of the Contract. TRG shall submit projected annual budgets to the Academy at least thirty (30) days prior to the date the Academy is required to submit a budget to

the College Board.

- (2) Detailed statements of all revenues received, from whatever source, with respect to the Academy, and detailed statements of all direct expenditures for services rendered to or on behalf of the Academy, whether incurred onsite or off site, upon request, but at least quarterly.
- (3) All information the Academy's auditors reasonably request.
- (4) Reports on Academy operations, finances, and student performance, upon request of the Academy, the College Board or the State of Michigan.
- (5) Other information on a periodic basis to enable the Academy to monitor, TRG educational performance and the efficiency of its operations of the Academy.

H. Access to Records. TRG shall keep accurate financial records pertaining to its operation of the Academy, together with all Academy financial records prepared by or in the possession of TRG, and, unless required by law to be retained for a longer period, retain all of said records for a period of five (5) years from the close of the fiscal year to which such books, accounts and records relate. A copy of such records will be provided to the Academy when created. TRG and the Academy shall maintain the proper confidentiality of personnel, student and other records as required by law.

I. Review of Budget. The Academy Board shall be responsible for reviewing, revising, and approving the annual budget of the Academy.

J. Annual Audit. The Academy Board shall select, retain, and pay for an annual financial audit in accordance with the Contract and applicable state law. TRG may recommend to the Academy an auditor. The Academy, however, is not obligated in any way to accept such recommendation and a decision to not accept TRG's recommendation shall not

constitute a breach of this Agreement.

K. Payment of Academy Funds. TRG shall not be a signatory on any Academy account.

ARTICLE VI

PERSONNEL & TRAINING

A. Personnel Responsibility. Subject to the Contract, applicable laws, and Academy Board policies, TRG shall, in cooperation with the Academy, recommend to the Academy Board staffing levels, and select, evaluate, assign, discipline and transfer personnel, consistent with state and federal law, and consistent with the parameters adopted and included within the Contract. The Academy and TRG agree that TRG has all the rights, discretion and authority required by law to constitute an “employer” as defined in 29 U.S.C. §152(2) of the National Labor Relations Act and is subject to the jurisdiction of the National Labor Relations Board. The Academy Board reserves the right to have TRG personnel placed elsewhere by TRG if the Academy is dissatisfied with their performance.

B. Principal. Because the accountability of TRG 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 TRG and TRG will have the authority, consistent with state law, to select and supervise the Principal and to hold him or her 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 TRG.

The Principal and TRG, in turn, will have similar authority to select and hold accountable the teachers in the Academy.

C. Teachers. Subject to the Contract and Academy Board policies, and from time to time thereafter, TRG shall recommend to the Academy Board the number of teachers, and the applicable grade levels and subjects, required for the operation of the Academy. Thereafter, the Academy Board shall determine the number and applicable grade levels and subjects of the Academy. TRG shall provide the Academy with such teachers, qualified in the grade levels and subjects required, as are required by the Academy Board and the Contract. The curriculum taught by such teachers shall be the curriculum prescribed by the Academy and set forth by the Contract. Such teachers may, in the discretion of TRG, work at the Academy on a full or part time basis, provided that if teachers work at the Academy on a part time basis, such teachers' salaries and benefits shall be pro-rated in the Academy's budget. If assigned to the Academy on a part time basis, such teachers may also work at other schools managed or operated by TRG. Each teacher assigned or retained to the Academy shall hold a valid teaching certificate issued by the State Board of Education under the Code and shall have undergone a criminal background and record check and unprofessional conduct check, as required under the Code for teachers who are employees of TRG

D. Support Staff. TRG 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, maintenance personnel, and the like.

E. Employer of Personnel. Except as specified in this Agreement, all teaching and instructional personnel performing functions on behalf of the Academy shall be employees of TRG. Compensation of all employees of TRG shall be paid through TRG. For purposes of this Agreement, "Compensation" shall include salary, fringe benefits, and state and federal tax withholdings. TRG 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, TRG shall not make payments to the Michigan Public School Employees' Retirement System or any other public retirement system on behalf of its employees. TRG shall be responsible for conducting criminal background checks and unprofessional conduct checks on its employees, as if it were a public school academy under the Code. Teachers employed by TRG shall not be considered teachers for purposes of continuing tenure under MCLA § 38.71 *et seq.*

E. Training. TRG 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 utilize TRG'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 TRG determines as reasonable and necessary under the circumstances.

ARTICLE VII

ADDITIONAL PROGRAMS

A. Additional Programs. The services provided by TRG to the Academy under this Agreement consist of the Educational Program during the school year and school day as set forth in the Contract with no additional programs contemplated hereunder unless specifically identified herein.

B. Food Service and Transportation. TRG will not initially provide food service and transportation services to students at the Academy. If approved by the Academy Board, the students may be provided a catered lunch program under the normal school lunch program.

ARTICLE VIII

TERMINATION OF AGREEMENT

A. Termination By TRG. TRG may terminate the Agreement with cause prior to the end of the term specified in Article I in the event the Academy fails to remedy a material breach with sixty (60) days after notice from TRG. A material breach may include, but is not limited to, failure to make payments to TRG as required by this Agreement, or unreasonable failure to approve personnel, curriculum, program, or similar material recommendations of TRG. Upon such termination, TRG shall have the option to reclaim any usable property or equipment (e.g., copy machines, personal computers) installed by TRG and not paid for by the Academy.

B. Termination by the Academy. The Academy may terminate this Agreement with cause

prior to the end of the term in the event that TRG should fail to remedy a material breach within (60) days after written notice from the Academy. Material breach may include, but is not limited to, violation of this Agreement, violation of Academy's Contract with the College Board, failure to account for its expenditures or to pay operating costs (provided funds are available to do so), or unreasonable failure to meet performance standards. Upon such a termination, TRG shall reclaim any usable property or equipment (e.g., copy machines, personal computers) installed by TRG and not paid for by the Academy or, at the option of the Academy, be entitled to and paid for the depreciated cost of such equipment.

C. Change in Law. If any federal, state, or local law or regulation, or court decision has a material adverse impact on the ability of either party to carry out its obligations under this Agreement, then either party, upon written notice, may request renegotiating of the Agreement; and if the parties are unable or unwilling to renegotiate the terms within thirty (30) days after the notice, the party requiring the renegotiation may terminate this Agreement on thirty (30) days further written notice.

D. Effective Date of Termination. In the event this Agreement is terminated by either party prior to the end of the term specified in Article I, absent unusual and compelling circumstances, the termination will not become effective until the end of the school year in which the notice of termination is received.

E. Expiration. Upon expiration of this Agreement at the completion of the Contract term and where there is no renewal, TRG shall reclaim any usable property or equipment (e.g. copy machines, personal computers) installed by TRG and not paid for by the Academy or, at the option of the Academy, be entitled to and be paid for the depreciated cost of such equipment.

ARTICLE IX

PROPRIETARY INFORMATION

- A. **Proprietary Information.** The Academy owns all proprietary rights to curriculum or educational materials that: (i) are both directly developed and paid for by the Academy; or (ii) were developed by TRG at the direction of the Academy Board with Academy funds dedicated to the specific purpose of developing such curriculum or materials. TRG owns all proprietary rights to curriculum and educational materials previously developed or copyrighted by TRG, curriculum and educational materials developed by TRG not using funds from the Academy, and curriculum and educational materials not dedicated to the specific purpose of developing Academy curriculum or educational materials. TRG and the Academy shall each have the sole and exclusive right to license materials for which they own proprietary rights for use by other school districts, public schools and customers or to modify and/or sell material to other schools and customers. The Academy and TRG each shall use reasonable efforts to ensure that its personnel and agents refrain from disclosing, publishing, copying, transmitting, modifying, altering or utilizing proprietary information owned by the other party TRG educational materials and teaching techniques used by the Academy are subject to disclosure under the Code and the Freedom of Information Act.
- B. **Required Disclosure.** The Administrator shall be permitted to report any new teaching techniques or methods of significant revisions to known teaching techniques or methods

to the Board and to the State Board of Education, which teaching techniques or methods may thereafter be made available to the public, as provided in Sections 505(3) of the Code, notwithstanding anything contained in this Article IX to the contrary.

ARTICLE X

INDEMNIFICATION

The Academy shall indemnify and save and hold TRG and all if its employees, officers, directors, subcontractors, and agents (collectively "TRG Employees") harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any action taken or not taken against TRG or any of its TRG employees in the event of any claim that this Agreement or any part thereof is in violation of law; 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 misrepresentation or breach of the representations and warranties of the Board contained in or made pursuant to this Agreement. In addition, the Academy shall reimburse TRG for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit.

TRG shall indemnify and save and hold the Academy and all if its employees, officers, directors, subcontractors, and agents (collectively "Academy Employees") harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any action taken or not taken against the Academy or any of its Academy Employees in the event of any claim that this Agreement or any part thereof is in violation of law; any noncompliance by TRG with any agreements, covenants, warranties, or undertakings of TRG contained in or made pursuant to this Agreement; and any misrepresentation or breach of the representations and warranties of TRG contained in or made pursuant to this Agreement. In addition, TRG shall

reimburse the Academy for any and all legal expenses and costs associated with the defense of any such claim, demand, or suit.

ARTICLE XI

INSURANCE

TRG shall secure and maintain the normal general liability and umbrella insurance coverage. However, where the building and related capital facilities are the property of the Academy, the Academy shall cover its property with insurance. The parties shall also each maintain such insurance as shall be necessary to indemnify the other as provided in this Agreement. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this paragraph. TRG shall comply with any information or reporting requirements applicable to the Academy under the Academy's policy with its insurer(s), to the extent practicable. TRG will list the academy as an additional named insured on its insurance policy.

ARTICLE XII

WARRANTIES AND REPRESENTATIONS

The Academy and TRG each represent that it has the authority under law to execute, deliver, and perform this Agreement, and to incur the obligations provided for under this Agreement, that its actions have been duly and validly authorized, and that it will take all steps reasonably required to implement this Agreement. The Academy and TRG mutually warrant 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 affect on its ability to perform its obligations under this Agreement.

ARTICLE XIII

MISCELLANEOUS

- A. **Sole Agreement.** This Agreement supersedes and replaces any and all prior agreements and understanding between the Academy and TRG.
- B. **Force Maieure.** Neither party shall be liable if the performance of any part or all of this contract is prevented, delayed, hindered, or other wise made impracticable, or impossible by reason of any strike, flood, riot, fire, explosion, war, act of God, sabotage, accident, or any other casualty, or cause beyond either part's control, and which cannot be overcome by reasonable diligence and without unusual expense
- C. **Notices.** All notices, demands, requests, and consents under this Agreement shall be in writing, shall be delivered to each party, and shall be effective when received by the parties or mailed to the parties at their respective addresses set forth below, or at such other address as may be furnishes by a part to the other party:

With a copy to:

Madison Academy
Genesee County, Michigan

Attn. President, Board of Directors

George Butler
Dickinson-Wright PLLC
500 Woodward Ave.
Suite 4000
Detroit, MI. 48226

The Romine Group, Inc.
Corporate Headquarters
7877 Stead, suite 100
Utica, Michigan 48317
Attention: Paul C. Romine

Beadle, Burket & Sweet, PLC
24525 Harper Avenue
Suite One
St. Clair Shores, MI 48080
Attention: John L. Burket

- D. Severability.** The invalidity of any of the covenants, phases, 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, phase, or clause had not been contained in this Agreement.
- E. Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of the parties and their respective successors and assigns.
- F. Entire Agreement.** This Agreement is the entire agreement between the parties relating to the services provided, and the compensation for such services
- G. Non-Waiver.** No failure of either party in exercising any right, power, or privilege under this Agreement shall affect such right, power, or privileges, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power, or privilege. 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.
- H. Assignment.** This Agreement shall not be assigned by either party without the prior written consent of the other party.
- I. Survival of Termination.** All representations, warranties, and indemnities made herein shall survive termination of this Agreement.
- J. Governing Law.** This Agreement shall be governed by and enforced in accordance with the law of the State of Michigan.

The parties have executed this Agreement as of the day and year first above written.

THE ROMINE GROUP, INC.



BY: Paul C. Romine

ITS: President

DATE: July 1, 2011

MADISON ACADEMY



BY: Nic Mihailoff

ITS: President

DATE: July1, 2011