
LOAN AGREEMENT

between

**THE ACCOUNT FOR CHARTER SCHOOLS as administered by The State Public Charter School
Authority**

as Lender,

and

FUTURO ACADEMMY

as Borrower

Dated as of July 1, 2017

Relating to:

\$58,000

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “Loan Agreement”) is entered into as of [MONTH], [DAY], 2017, between **THE ACCOUNT FOR CHARTER SCHOOLS as administered by The State Public Charter School Authority** and formed pursuant to Nevada Revised Statute Section 388A.432, (together with its successors and assigns, the “Lender”), and **FUTURO ACADEMY**, a Nevada Achievement Charter School organized and formed according to Chapter 388B of the Nevada Revised Statutes (together with its successors and assigns, the “Borrower”).

WITNESSETH:

RECITALS

WHEREAS, the Lender is authorized by and pursuant to Chapter 388A.432 et seq. of the Nevada Revised Statutes, to issue loans for the purposes assisting charter schools in the manner set forth in NRS 388A.435; and

WHEREAS, Futuro Academy (the “Borrower”), has requested the Lender to lend certain monies as described in Section 1 to the Borrower to finance the Contracts for start-up assistance, professional development, and consulting services related to the start-up and establishment of Futuro Academy; Investments in items with multi-year useful life including curriculum, furniture, technology, including 1:1 Chromebook technology and initial IT and Internet infrastructure and Rent subsidy for initial 3 months of operation (the “Projects”); and

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the parties hereto do hereby agree as follows:

- 1. Loan Amount:** The Lender agrees to loan \$58,000 to the Borrower and the Borrower promised to repay this principal amount to the Lender, with interest on the unpaid principal at the prime rate of largest bank in Nevada in accordance with NAC 386.445(1).
- 2. Interest Rate:** The Parties agree that the prime rate at the largest bank in Nevada in accordance with NAC 386.445(1) at the time of this Loan Agreement is three and three quarters percent (3.75%)
- 3. Payment:** The Parties agree that this Borrower is not an operational school at the time of this loan and thus it is not obligated to commence payment of the Loan until the year after its first year of operation in accordance with NAC 386.445(3). As the Borrower’s first year of operation as a school is 2017-18, repayment will commence in 2018-19. This Loan will be repaid in twenty-four consecutive monthly installments of Two Thousand Six Hundred and Sixteen dollars and Nineteen cents (\$2,616.19) and one final payment of Two Thousand Six Hundred and Sixteen dollars and Seventeen cents (\$2,616.17) to be deducted from the Monthly payments that borrower receives from the Distributive School Account (DSA) from the Nevada Department of Education (NDE) and in accordance with the Amortization Schedule Attached as Exhibit 1 to this Agreement.

In the event that NDE fails or refuses to deduct any of the necessary loan payments from Borrower’s DSA payments, Borrower agrees to make payment in full to Lender with 48 hours of receipt of its DSA payment. Lender’s failure to promptly request payment shall not absolve Borrower of its obligation to make any payment.

At any time while not in Default under this Agreement, Borrower may pay the outstanding balance then owing under this Agreement to the Lender without further penalty or bonus. Should Borrower desire to pay the outstanding balance early, Borrower shall submit a written request for a payoff amount to Lender. Upon receipt of the request for an early payoff Lender shall, within fourteen (14) days) provide a final payoff amount that shall be good for a period of no less than seven (7) days. If Lender fails to provide an early payoff amount within the time indicated in this section, Borrower may repay the loan by remitting the amount owed in the "New Principal" column on the amortization attached as Exhibit 1 to this Agreement for the Month and Year of the payoff.

- 4. Default:** Notwithstanding anything to the contrary in this Agreement, if the Borrower defaults in the performance of any obligation under this Agreement, Lender may declare the principal amount owing and interest due under this Agreement at that time to be immediately due and payable. Borrower also agrees that such a default may be construed by its charter sponsor as a failure to meet its performance expectations under section 3.9 of its Charter Contract and thus is grounds for its sponsor to terminate its Charter Contract.
- 5. Governing Law:** This Agreement will be construed in accordance with and governed by the laws of the State of Nevada.
- 6. Costs:** Any costs, expenses and expenditures, including without limitation, the complete legal costs incurred by enforcing this Agreement as a results of and default by the Borrower, will be added to the principal then outstanding and will immediately by paid by Borrower.
- 7. Binding Effect:** This Agreement will pass to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the Borrower and Lender. The Borrower waiver presentment for payment, notice of non-payment, protest, and notice of protest.
- 8. Amendments:** This Agreement may only be amended or modified by a written instrument by both the Borrower and the Lender.
- 9. Severability:** The clauses and paragraphs contained in this Agreement are intended to be read and construed independently of each other. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void, or unenforceable, it is the parties' intent that such provision by reduced in scope by the court only the extend deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.
- 10. General Provisions:** Headings are inserted for the convenience of the Parties and are not intended to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
- 11. Entire Agreement:** This Agreement shall be construed in accordance with the provisions of Nevada law and regulation. Apart from Nevada Law and Regulation, this Agreement constitutes the entire agreement between the parties and there are no further items, provisions, either oral or otherwise. All prior agreements among or between such parties, whether oral or written, are superseded by the terms of this Loan Agreement

THIS LOAN AGREEMENT EXECUTED as of the date first written above.

Futuro Academy

By _____
Futuro Academy, Board Chair

**THE ACCOUNT FOR CHARTER
SCHOOLS as administered by The State
Public Charter School Authority**

By: _____
Adam Johnson, Authority Chairperson