June 10, 2024

CONFIDENTIAL

The Seaside School, Inc.
The Seaside School Foundation, Inc.
Attention: Messrs. J. Kavanaugh Tucker, Board Chair and Patrick McCarthy, President

Dear Messrs. Tucker and McCarthy:

I am pleased to advise you that Silicon Valley Bank, a division of First-Citizens Bank & Trust Company (the "Bank"), has approved the following financing commitment to The Seaside School, Inc. ("School", "Borrower") and The Seaside School Foundation, Inc. ("Foundation", "Guarantor" and, together with School, the "Obligated Group"), subject to the terms and conditions set forth below. Our willingness to provide the financing described below is conditioned upon the Obligated Group's satisfaction of all terms and conditions listed below.

I. Credit Facility: The Bank is pleased to offer the Obligated Group the following facility:

1) Tax-exempt bond financing in the amount of up to $36,447,500 (the "Bonds")

Purpose: (i) To finance the development, construction, furnishing and equipment of two academic buildings located on Northwest Florida State College's ("NWFSC") Santa Rosa Beach, FL campus ("Project"); (ii) provide bridge financing in anticipation of the Obligated Group's receipt of not more than $9,500,000 in Florida legislative appropriations for the Project; and (iii) pay costs of issuance.

Maturity/Term: 15 years from closing ("Term").

Drawdown Period: Up to 36 months. The proceeds of the Bonds will be drawn down through periodic advances to a project account to be established under the financing documents (the "Project Account"). At the conclusion of the draw down period, any remaining balance shall be advanced to the Project Account for future requisitions relating to the Project or other eligible capital projects, subject to approval by the Bank and receipt of a favorable opinion of Bond Counsel. Advances shall be made pursuant to a requisition process describe further below.

Maximum Principal Outstanding: During and at the expiration of the Drawdown Period, the Bonds shall have a maximum principal outstanding of $26,947,500, which equates to a 75% Loan to Value ratio, based on the "as complete" appraised value of Project property.

For the avoidance of doubt, the up to $36,447,500 Bonds amount is non-revolving.

Flow of Project Funding: Currently, the Obligated Group has available $9,000,000 in approved State of Florida legislative appropriations ("FY24 Approved Appropriations"). The Bank is mindful that the Obligated Group has been approved, at the legislative level, for an additional $500,000 in legislative appropriations ("FY25 Approved Appropriations"); however, the Obligated Group's access to these additional funds is pending the Governor's signoff on the FY25 State Budget. It is the Bank's expectation that funding for the Project shall be the following based on the Project budget as of 5/29/24, totaling approximately $38,337,500:

1. Capital campaign funds, grants and Obligated Group's cash on hand of no less than $2,390,000.
   ** In the event the $500M in FY25 Approved Appropriations are formally approved prior to closing, bullet point 1 will decrease by $500M and bullet point 2 will increase by $500M.*
2. FY24 Approved Appropriations of no less than $9,000,000;
3. Bonds proceeds, which shall be permanent amortizing debt upon the Drawdown Period expiration, of no greater than $26,947,500.

Interest Rate: The Obligated Group has selected the following interest rate option:

A 15-year fixed rate calculated as 0.79 of the sum of the US Treasury Par Yield ("UST") 10-year Rate, plus 2.20% per annum.

Interest on the Bonds is calculated based on a 360-day year for the actual number of days elapsed. Unless the Obligated Group elects to lock-in the interest rates as described below, the interest rates will be set at 10:00 am Eastern Time two business days prior to the closing; as such, each rate above calculated on such date may be different than the rate calculated today.

To the extent that interest on Bonds is or becomes taxable at any time during the term thereof, the financing documents will provide for an increase to a taxable rate of interest, to be calculated in accordance with the applicable formula described above but without regard to the tax-exempt equivalency factor. The tax-exempt rate will not change due to any change in corporate tax rates.

Interest Rate Lock: The Obligated Group may elect to lock-in the fixed rate on the Bonds for a period of up to 60 days upon execution of a rate lock agreement and payment of the applicable rate lock fee to the Bank. If the Bonds do not close by the last day of the interest rate lock period set forth in such agreement (the "Interest Rate Lock Period"), the interest rate lock will expire, and the interest rate will be set in accordance with the applicable formula set forth above.

Payments: Monthly payments on the Bonds of interest only for the first 36 months, followed by level mortgage-style principal and interest payments based on a 30-year amortization period. All outstanding principal and interest shall be due at maturity. Payments shall be automatically charged on the first of the month to the deposit account of the Borrower established and maintained at the Bank (subject to the matters discussed under " Accounts & Cash Management" herein). The Guarantor shall also establish and maintain at the Bank the Capital Campaign Account, into which shall be deposited all capital campaign receipts for the Project permitted to be used to pay Project (i.e., Bonds) debt service (and other Project costs). The Bank shall have the right to automatically charge this Capital Campaign Account on the first of the month the amount of any difference between the monthly payment on the Bonds then due and the amount then on deposit in the deposit (debit) account of the Borrower established and maintained at the Bank.

Commitment Fee: $250,000.00, payable at closing.

Security: Bonds will be secured by (i) a first position leasehold mortgage, assignment of leases, rent, and contracts on the Project property; (ii) a first position priority UCC-1 lien on all business assets of the School, including a pledge of gross receipts, (iii) a pledge of the Project Account and all other Borrower accounts, and possession of such accounts by the Bank; and (vi) an assignment of Project documents. Further support for the repayment of the Bonds will be provided by the Foundation's issuance of the Guaranty.

Guaranty:
Guaranty will be secured by (i) an assignment of leases, rents, and contracts, including but not limited to the Facility Lease between the Guarantor and the Borrower and all rent payable by the Borrower thereunder; (ii) a first position priority UCC-1 lien on all business assets of the Foundation, (iii); (iv) a pledge of the Capital Campaign Account and all other Guarantor accounts, and possession of such accounts by the Bank; and (v) a negative pledge on the Foundation's other real estate currently occupied by the School The Guaranty will be an absolute, continuing and unconditional guaranty of the School's obligations under the School's financing and security documents, including but not limited to the leasehold mortgage.

The Foundation, as holder of the Capital Campaign Account, will also agree to pay over to the School amounts deposited to and held in the Capital Campaign Account and available to pay (i) costs of the Project and (ii) debt service on and other payment obligations with respect to the Bonds, as and to the extent needed by the School, in each case without the requirement of the Bank making a call or claim upon the Guaranty.

Prepayment Fee:

The Obligated Group may, upon 15 days' prior written notice to the Bank, redeem the Bonds in whole or in part prior to maturity, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, plus the Yield Maintenance Fee. The "Yield Maintenance Fee" is equal to the sum of (A) all reasonable costs, fees and expenses incurred by the Bank due to the prepayment, plus (B) the present value of the difference between (1) the amount that would have been realized by the Bank on the prepaid amount for the remaining fixed-rate term of the Bonds, as applicable, at the stated interest rate and (2) the amount that would be realized by the Bank by reinvesting such prepaid funds for the remaining fixed-rate term of the Bonds, as applicable, interpolated to the nearest month, at a replacement fixed rate equivalent to the interest rate index plus spread used to determine the interest rate of the Bonds, as applicable. Should part (B) of the penalty calculation above have a negative value, such negative value shall not reduce the total yield maintenance fee and, in such event, the Obligated Group may prepay the indebtedness by paying part (A).

Notwithstanding the foregoing, the Obligated Group may prepay the Bonds at any time from operations, grants, government appropriations, campaigns and/or other internal funds, without fee or premium.

If the Obligated Group redeems the Bonds in an amount equal to or greater than $2,500,000 from the aforementioned sources and not with another lender, the Bank may re-amortize the outstanding principal balance over the remaining term, at the Obligated Group's request, but not more than once every three fiscal years of the Borrower and not more than twice over the Term of the Bonds. The Obligated Group shall notify the Bank 15 days prior to such redemption.

II. Financial Reporting and Financial Covenants:

Financial Reporting: The Obligated Group shall provide the following:

- Audited financial statements of the Obligated Group prepared by a CPA firm acceptable to the Bank due annually within 150 days of Obligated Group's fiscal year end;

- Year-end statements to be accompanied by an officer's certificate of compliance including confirmation that the Obligated Group is in compliance with the Minimum Debt Service Coverage Ratio set forth below, and stating that no events of default have occurred and remain uncorrected under any documents related to the Bonds or the Guaranty;

- Promptly after receipt, a copy of all audits or reports submitted to the Obligated Group by independent public accountants in connection with any annual, special or interim audits of the books of the Obligated Group and any "management letter" prepared by such accountants. Each management letter relating to the Obligated Group's annual financial statements will be delivered not later than 150 days after the end of the fiscal year to which such management letter relates;
- Semi-annual report of enrollment statistics due each 10/1 and 3/1, to include recommits, applications, acceptances,

enrollment, and waitlist. Report shall also include confirmation of the School's High-Performing status for the submitted school year;

- Quarterly (i) YTD Management Prepared Financial Statements (unaudited) of the Obligated Group including balance sheet, income statement, statement of cash flows, and a comparison of YTD operating results to YTD budget for such fiscal quarter, due within 60 days after each fiscal quarter end, and (ii) statements of all accounts not held by the Bank, including but not limited to all operating accounts and reserve accounts (operating and/or real estate-related), due within 15 days after receipt from the applicable depositary institution. The quarters ending 6/30 and 12/31 submission shall be accompanied by a certificate of compliance confirming the Obligated Group's compliance with the Minimum Days' Cash on Hand set forth below.

- Quarterly updated capital campaign report showing pledge commitment and collection activity in detail, due with 60 days after each fiscal quarter end.

- Not fewer than 30 days prior to the end of each fiscal year, the annual capital and operating budgets of the Obligated Group for the ensuing fiscal year;

- Within 10 days of the annual posting, notice of the posting by the State of the Report Card issued for the School;

- Such additional information as the Bank may request from time to time.

Financial Covenants:

<u>Minimum Debt Service Coverage Ratio</u> of 1.10x for debt service on all indebtedness, tested annually, commencing FYE 6/30/26. The covenant shall be calculated as follows: <u>Debt Service Coverage Ratio</u> = "Operating Cash Flow" divided by "Total Debt Service." <u>"Operating Cash Flow"</u> shall be based on the financial performance of the Obligated Group and shall mean, for any period, the sum total of the change in unrestricted net assets and the change in net investment in capital assets, plus depreciation and amortization expenses, plus interest expense, excluding all other non-cash items, excluding unrealized investment gains and

losses, less capital expenditures not financed or funded from reserves. "Total Debt Service" shall mean, for any period, the total of (i) interest charges paid or required to be paid during such period, plus (ii) all regularly scheduled principal payments made in respect of any indebtedness for borrowed money or capital leases during such period.

Minimum Days' Cash on Hand tested as of June 30 and December 31 of each fiscal year, commencing YTD 12/31/24. For the June 30 test, the minimum shall be 60 days. For the December 31 test, the minimum shall be 45 days. The covenant shall be calculated as follows: Days' Cash on Hand = (i) the number of days that have elapsed from the start of the fiscal year to the testing date (either 181 days or 365 days) times the sum of (ii) the aggregate unrestricted cash and investments of the Obligated Group, divided by (iii) the total operating expenses of the Obligated Group for the fiscal year, year-to-date, excluding depreciation, amortization and any other non-cash expenses.

Maximum Loan to Value Ratio. At all times, the amount of the outstanding Bonds shall not exceed the lesser of (i) $26,947,500 and (ii) 75% of the "as complete" market value of the Project property ("Loan to Value Ratio"). The Bank may require, not more frequently than once every 4.5 years so long as no Event of Default has occurred and at any time following an Event of Default, that the Obligated Group pay for an appraisal of the Project property obtained by the Bank, demonstrating whether the Loan to Value ratio is met. If the appraisal demonstrates that the Loan to Value is not met, then within 30 days of receiving notice from the Bank, the Obligated Group shall either cause additional property to be included in the Project property subject to the liens in favor of the Bank or redeem Bonds in an amount necessary so that the Loan to Value Ratio is met following such addition or redemption.

III. Additional Terms

Additional Debt: Without the prior written consent of the Bank, the Obligated Group may not incur any additional indebtedness or permit a lien on or otherwise pledge its assets as security, other than (i) existing indebtedness and liens permitted by the Bank as of the closing, and (ii) capitalized leases and other purchase money indebtedness in an amount not to exceed $750,000 in aggregate, which shall not be on parity with the Bonds.

Subordination of Lease Payments: The School's obligation to pay any lease payment either directly to or on behalf of the Foundation shall be subordinate to debt service payments on the Bonds. The subordination shall be properly documented and recorded, if required.

Deposit Accounts: Prior to closing, the Obligated Group shall set up the following accounts with the Bank: Capital Campaign Account (Guarantor), Guarantor's primary operating account and reserve accounts (operating and/or real estate-related) not subject to QPD-requirements, and Project Account (Borrower).

Within ten (10) days of being notified that the Bank is an approved Florida Qualified Public Depository (under current Florida statutes), the Obligated Group shall set up the following accounts with the Bank: primary operating accounts and reserve accounts (operating and/or real estate-related). The primary operating accounts and reserve accounts (operating and/or real estate-related) shall be fully transitioned and funded no later than three (3) months following the notification date that the Bank is a Florida Qualified Public Depository. The Obligated Group shall maintain these accounts throughout the term of the Bonds. The Obligated Group may maintain secondary petty cash accounts at a local bank.

Capital Campaign Account: Guarantor shall establish and maintain at the Bank a separate fund to receive the capital campaign funds specific to the Project. The Obligated Group may requisition these funds in accordance with the Disbursement Conditions described herein.

Upon completion of the Project as evidenced by an unconditional Certificate of Occupancy and stabilization of the Project as evidenced by a minimum total aggregate enrollment of 625 students for the school year, and provided that no event of default has occurred and remains uncorrected under any documents related to the Bonds or the Guaranty, the remaining funds in the Capital Campaign Account shall be released to the Obligated Group.

For the avoidance of doubt, the initial minimum amount of $2,062,021 required to be funded into the Capital Campaign Account prior to the closing date shall be 'first money in' used to pay costs of the Project. The minimum $2,062,021 will be fully drawn down prior to any draws on the Bonds.

Title Report: The Bank shall receive prior to closing, at the expense of the Obligated Group, a title report or certified lien/mortgage search indicating that there are no mortgage liens or similar encumbrances on the Property other than those permitted by the Bank. The Title Report is specific to the negative pledge on the Foundation's real estate currently occupied by the School.

Title Insurance: The Obligated Group at its sole cost and expense agrees to provide the Bank with an ALTA title insurance policy from an approved title company insuring the full amount of the Bonds, in form and substance satisfactory to the Bank, containing only such exceptions as are approved by the Bank and including such endorsements are required by Bank and Bank's counsel including, but not limited to, an ALTA 9 Comprehensive Endorsement. The Title Insurance is specific to the Project property.

Condition of Property:

1) The Obligated Group shall provide to the Bank copies of all permits, certificates, consents, licenses and approvals necessary from the appropriate governmental or private authorities or agencies for the zoning, use, occupancy and operation of the Project site.

2) The Obligated Group shall provide to the Bank copies of all leases and occupancy agreements, and all management, service and other contracts or arrangements affecting the use or operation of the Project site.

3) The Obligated Group shall provide to the Bank certificates of municipal liens and/or other evidence of payment of real estate taxes applicable to the Project site or evidence that the Project site is exempt from real estate taxes.

Construction Conditions: The Bank shall require the following with regard to the Project, at the expense of the Obligated Group:

- Receipt and satisfactory review of the construction contract with a contractor reasonably acceptable to the Bank, which shall be a fixed-price or guaranteed maximum price contract, and shall include an industry-based contingency reserve and retainage provision and shall otherwise be in form and substance satisfactory to the Bank;

- Receipt and approval of supporting performance bonds (with a contractor with financial strength satisfactory to the Bank);

- Review and approval of the construction budget, which shall include hard costs, builder's risk insurance, architectural fees, sufficient funding for payment of real estate taxes and insurance premiums during the development period, any other costs associated with the Project and an industry-based contingency reserve based on the overall hard-cost dollar amount (not less than 5%) and shall include a line item for the cost of the Bank's construction consultant, comprising the initial review of the budget, plans and specifications (estimated to be $3,700) and inspections for each requisition throughout construction (estimated to be $1,025 per inspection);

- Review and approval of the construction schedule, architectural drawings, plans, specifications, permits and approvals and zoning compliance for the Project; and

- Conditional assignment of the construction contract, architectural drawings, plans, specifications, permits and approvals for the Project to the Bank.

Disbursement Conditions: Construction proceeds will be advanced into the Project Account as requested by the Obligated Group subject to the Bank's construction disbursement conditions, including without limitation:

- Delivery of lien waivers from the general contractor and, at the Bank's request, any major subcontractors;

- Review of requisitions and inspection of work performed by the Bank's construction consultant, at the Obligated Group's expense;

- Confirmation that (i) the Obligated Group has and will expend their own equity on the Project in an amount equal to at least $2,390,000, which shall be reduced upon approval of the FY25 Approved Appropriations and (ii) the undisbursed construction proceeds, together with other funds of the Obligated Group on deposit with the Bank for such purpose, are sufficient to complete the Project. Project sources and uses shall remain "in balance”. In the event that any change orders or other items not covered by contingency cause the overall Project costs to exceed the approved budget, the Obligors shall deposit funds sufficient to cover such deficiency with the Bank;

- Updated construction consultant inspections will be performed, at each request for disbursement of funds during the construction period. Cost of each construction inspection will be borne by the Obligated Group;

- Delivery of updated title rundowns of the Project property, along with construction consultant inspections, at the expense of the Obligated Group;

- Each disbursement will be subject to an appropriate retainage of amounts due to the contractor and each subcontractor;

- No material adverse change shall have occurred with respect to the assets, business, operations, prospects, or condition (financial or otherwise) of the Obligated Group and no default shall have occurred with respect to any loan facility or other contract of agreement of any member of the Obligated Group and having a value equal to or greater than $500,000; and

- The final disbursement for the Project is subject to receipt of an unconditional Certificate of Occupancy. The Bank shall reserve the right for an as-built survey to be performed at a cost to be borne by the Obligated Group.

Late Charge/ Default Rate: The Obligated Group shall pay a premium of 5% of any payment not received by the Bank within 10 days of the due date thereof. After the occurrence of an event of default and during the continuance thereof, the Bonds shall bear interest at a rate of 5% above the rate that would otherwise be in effect if no event of default had occurred.

Other Obligations: The Bonds and any debt obligations of any member of the Obligated Group to the Bank will be cross-defaulted.

No Material Changes: At the time of closing, there shall not be any material, adverse changes in (i) the business, assets, operations, condition (financial or otherwise) or prospects of the Obligated Group from those relied upon in preparing this Commitment or in the facts and information as represented to date as determined by the Bank in its discretion, or (ii) the banking, financial or capital markets as determined by the Bank in its discretion.

Contingent Liabilities: At the time of closing, none of the Obligated Group members shall have any material contingent liabilities or pending litigation that could result in material liabilities or material contingent liabilities not previously disclosed to the Bank in writing.

Documentation: The Obligated Group shall execute and deliver such customary bond documents and other financing documents, as the Bank or its counsel reasonably deem necessary to evidence and document the facilities contemplated hereby, including but not limited to (and as determined by Bond Counsel, Issuer Counsel and Counsel to the Bank), a Loan and Security Agreement (or bond indenture and loan agreement), a Continuing Covenants Agreement, a Security Agreement (All Assets), a Mortgage, Assignments of Leases and Rents, and Fixture Filing and a Hazardous Materials Indemnity Agreement (collectively, the "Financing Documents"), all in form and substance satisfactory to the Bank and its counsel and including such representations and warranties, affirmative and negative covenants, events of default and other terms as the Bank deems necessary, including, without limitation, cross-default provisions, increased cost provisions, default due to material adverse change or effect, most-favored lender provisions, limitations on mergers and consolidations, affiliate transactions, investments, liens, mortgages, contingent liabilities, sales and dispositions of assets, and sale-leaseback transactions, default due to material adverse change or effect, right of set-off and waiver of jury trial. The Financing Documents will be governed by the laws of the Commonwealth of Massachusetts (other than the documents to which the bond issuer is a party, which may be governed by the laws of the state of the issuer).

Any other documentation deemed appropriate by the Bank or its counsel required to close the Bonds and to effect the Bank's security therefor shall be delivered to the Bank at or before closing.

Other Conditions: In addition to any other documents required herein, the Obligated Group shall furnish the Bank with each of the following documents at the Obligated Group's expense, the delivery of which, in form and content satisfactory to the Bank, shall constitute conditions precedent to closing the Bonds:

(i) Legal opinion of the Obligated Group's counsel in form and substance satisfactory to the Bank and its counsel, covering the due authorization, execution and delivery of the Financing Documents, the non-profit corporation and 501(c)(3) status of the Borrower, and such additional matters that the Bank, in its sole discretion and as advised by counsel, deems necessary, (b) an unqualified written opinion of Bond Counsel with a reliance letter in favor of the Bank, in form and substance satisfactory to the Bank and its counsel, with respect to the due authorization and issuance of the Bonds and the excludability of interest on the Bonds from federal and state income taxes.

(ii) Evidence of property and casualty insurance, liability insurance, and worker's compensation insurance that is satisfactory in form and substance to the Bank and complying with the provisions in the Financing Documents pertaining to insurance (including flood insurance, earthquake insurance and wind-loss/named storm insurance, if applicable). Such evidence of insurance shall be in the form of certificates of insurance naming the Bank as certificate holder, loss payee and mortgagee, with provisions therein for an obligatory 30-day advance notice to the Bank, as certificate holder, of policy cancellation, non-renewal or material change.

(iii) Receipt by the Bank of the account analysis statements for the primary operating account and reserve accounts of each Obligated Group member, for the most recent three months;

(iv) Receipt and satisfactory review by the Bank of each Obligated Group member's certified incorporation documents and of the School's By-Laws and other governance documents of the School;

(v) Receipt and satisfactory review by the Bank of the School's written conflicts of interest policy and certify its compliance therewith;

(vi) Prior to closing, the opening of the Foundation's Capital Campaign Account with an initial minimum deposit of $2,062,021;

(vii) Prior to closing, the opening of the School's Project Account with an initial minimum deposit of $327,979;
(viii) Prior to closing, the opening of the Foundation's primary operating and reserve accounts (operating and/or real estate-related). These accounts shall be fully transitioned to the Bank within 3 months of the closing date;
(ix) Prior to closing, documentation evidencing costs of the Project paid to date. The initial minimum deposits required for the Capital Campaign Account and Project Account may fluctuate depending on the costs of the Project paid to date.
(x) Receipt and satisfactory review of approval documentation from the State, approving the FY24 Approved Appropriations of no less than $9,000,000 for the Project;
(xi) Once approved by the State, receipt and satisfactory review of approval documentation from the State, approving the FY25 Approved Appropriations of no less than $500,000 for the Project;
(xii) Receipt and satisfactory review of the Obligated Group's YTD 3/31/24 management-prepared financial statements;
(xiii) Receipt and satisfactory review of the Obligated Group's FY25 budget;
(xiv) Bank approval of the ground lease between Foundation and NWFSC;
(xv) Receipt and satisfactory review of the School's High Performing status;
(xvi) A listing of the items to be financed with Bonds proceeds and Bond Counsel's opinion that the proposed use of the proceeds complies with the provisions of the Internal Revenue Code and regulations applicable to a qualified tax-exempt bond;
(xvii) The Obligated Group agrees to provide the Bank all other information required for the Bank to complete its due diligence.
(xviii) Other documents or matters as may be required by the Bank to carry out the provisions and intent of this Commitment.

Indemnification And Expenses: Whether or not the transactions contemplated hereby are consummated, the Obligated Group agrees to indemnify and hold harmless First-Citizens Bank & Trust Company and their respective directors, officers, employees, affiliates, agents and any other controlling persons (the "Indemnified Parties"), from and against all losses, claims, settlement agreements, obligations, damages, liabilities and expenses, joint or several, to which any such Indemnified Party may become subject arising out of or in connection with this Commitment, the Bonds, the use of proceeds of the extensions of credit thereunder or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any of such Indemnified Party is a party thereto, and to reimburse each of such Indemnified Party upon demand for any legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided, however, that the foregoing indemnity will not, as to any Indemnified Party, apply to losses, claims, damages, liabilities or related expenses to the extent resulting from the willful misconduct or gross negligence of such Indemnified Party as determined by a final order of a court of competent jurisdiction.

The transactions contemplated hereby shall be consummated without cost to the Bank. All expenses connected with the Bonds, including, without limitation, the cost of due diligence examinations and the Bank counsel's fees shall be due and payable at or prior to closing by the Obligated Group, and the Obligated Group agrees to pay such fees and expenses, whether or not the transactions contemplated hereby are consummated and whether or not this Commitment is terminated for any reason. Squire Patton Boggs (US) LLP shall serve as counsel to the Bank; Bank counsel fees are estimated not to exceed $65,000 (exclusive of disbursements for any due diligence items ordered at cost (e.g., lien and litigation searches) by the Bank or such counsel). To the extent that additional discussions, document revisions or investigations by the Bank's counsel are required, the Obligated Group will be charged at such counsel's hourly rate for such additional work.

Obligors' Representations: This Commitment has been issued to the Obligated Group on the basis of certain information and materials provided by the Obligated Group to the Bank or its agents, including, without limitation, the representations, information, exhibits, data and other materials submitted with, and in support of, the Obligated Group's loan application. Any misinformation or withholding of material information incident thereto shall, at the option of the Bank and without limitation to any other right or remedy of the Bank, void all of the Bank's obligations hereunder.

Modifications: This Commitment may be amended only in a writing executed by the Obligated Group and the Bank.

Assignability: This Commitment shall not be assignable by the Obligated Group without the prior written consent of the Bank, and the Bonds shall not be assumable.

Participation: The Bank, as purchaser of the Bonds, shall have the right to invite other lending institutions to participate in the Bonds at any time during the term of the Bonds on terms and conditions satisfactory to the Bank. In the event of such participation, or otherwise upon request of the Bank, the Obligated Group agrees to execute any and all documents, including without limitation, estoppel certificates as required by the Bank and/or participating lending institutions consenting to such participation.

Disclosure: This Commitment is intended to be a confidential communication, and the Bank will expect you to kindly refrain from disclosing the content of the letter (other than to counsel, transaction participants, consultants, and accountants) without the consent of the Bank.

By the acceptance of this Commitment, the Obligated Group agrees that any terms and conditions expressed herein which in any way related to events or requirements occurring after closing, and which are not included in the Financing Documents shall survive closing of the Bonds and are to remain in full force until the payment in full of the principal balance of the Bonds, plus all accumulated interest and other associated costs.

If you are in acceptance with these terms and conditions, please indicate your acceptance by signing below and returning an executed copy to my attention. If the Bonds do not close by October 1, 2024 (or, if later, the end of the Interest Rate Lock Period, if applicable), the Bank may, at its option, terminate this Commitment and its obligations contained herein. In the meantime, if you have any questions, please call me. This Commitment is not assignable by the Obligated Group and supersedes any and all prior understandings or Commitments regarding the substance of this letter.

We look forward to a mutually rewarding relationship.

Sincerely,

Demetrie Spinney

Demetrie Spinney
Director

Silicon Valley Bank, a division of First-Citizens Bank & Trust Company

ACCEPTED:

The Seaside School, Inc.

By: ______________________________
Its Duly Authorized Representative

The Seaside School Foundation, Inc.

By: ______________________________
Its Duly Authorized Representative