GOVERNMENT CAPITAL
SECURITIES

ARBITRAGE REPORTING AGREEMENT

This Arbitrage Reporting Agreement (the "Agreement") is made and entered into this 28th day of July, 2026, by and between St. Croix Preparatory Academy, Minnesota (the "Client") and GOVERNMENT CAPITAL SECURITIES CORPORATION ("GCSC").

WHEREAS, the Client periodically borrows proceeds from tax-advantaged debt securities or related indebtedness that must comply with Section 148 of the Internal Revenue Code and related U.S. Treasury Regulations;

WHEREAS, the Client is in need of arbitrage reporting in connection with the Lease Revenue Refunding Bonds, Series 2016A (the "Bonds");

WHEREAS, GCSC has provided arbitrage reporting to a variety of governmental entities and maintains expertise in that area; and

WHEREAS, the Client and GCSC desire to establish a relationship, which is terminable as provided herein, pursuant to which GCSC will provide arbitrage reporting in accordance with Section 148 of the Internal Revenue Code and related U.S. Treasury Regulations.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions referenced and exchanged herein, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, covenant and agree as follows:

1. **GCSC Responsibilities – Scope of Services.** GCSC agrees to provide the following services in connection with the Bonds:

a. Review pertinent closing and post-closing documents.

b. Determine compliance under the Internal Revenue Code and related U.S. Treasury Regulations.

c. Prepare a ten-year arbitrage report ending July 31, 2026 (the "Ten-Year Arbitrage Report") for the Bonds.

d. Confirm the mathematical accuracy of the arbitrage yield.

e. Obtain nonpurpose investment transaction data for all funds and accounts related to the Bonds.

f. Analyze nonpurpose investment transaction data in conjunction with the document review.

g. Compute the spend-down penalties payable to the federal government if such provisions are applicable to the Bonds.

h. Compute the amount of excess earnings, if any, on nonpurpose investments as of applicable computation dates.

i. Determine the rebate amount and rebate payment due to the federal government.

j. Determine the yield reduction amount and yield reduction payment due to the federal government.

k. Identify computational methods and assumptions that form the basis of the calculations.

l. Deliver the Ten-Year Arbitrage Report to the Client.

m. Prepare IRS Form 8038-T or IRS Form 8038-R, as necessary.

n. Deliver IRS Form 8038-T or IRS Form 8038-R, if any, to Client.

o. Provide Client's attorney with the information necessary to prepare a legal opinion in connection with the Ten-Year Arbitrage Report, IRS Form 8038-T or IRS Form 8038-R, as requested by Client.

p. Maintain a system of tracking future computation dates for arbitrage reporting purposes.

q. Make recommendations to Client on record keeping practices for funds and accounts subject to arbitrage compliance.

r. Maintain work papers and the Ten-Year Arbitrage Report for a period of at least seven years after the Bonds are no longer outstanding.

2. **Client Responsibilities.** The Client agrees to provide GCSC with the following information in a timely manner:

a. Provide closing and post-closing documents for the Bonds as requested by GCSC.

b. Deposits, expenditures and interest income associated with gross proceeds of the Bonds for the applicable computation period.

c. Expenditures made prior to the issue date to be reimbursed with gross proceeds of the Bonds.

d. Fund and account running balances.

e. List of investments purchased with gross proceeds of the Bonds.

f. Notice of redemption for any partial or full redemption of the Bonds.

g. Any other information GCSC may deem necessary to complete the calculations.

h. Client agrees to notify GCSC if Client disagrees with any of the assumptions contained in the summary of computational information set forth in the Ten-Year Arbitrage Report. Such notice will be made within ten business days upon Client's receipt of the applicable report.

3. **Compensation.** Client shall pay GCSC for the services listed in Section 1 of this Agreement. GCSC will charge Client a base fee of $5,500 for the Ten-Year Arbitrage Report. Additions to the base fee will be assessed for unexpected complexities arising beyond the scope of a standard arbitrage engagement. Conversely, discounts to the base fee will be offered should the amount of work required to provide arbitrage reporting beyond the initial arbitrage computation period decrease. Such additions and/or discounts to the base fee will be based on the fee schedule below. GCSC will invoice Client for the amount due. The invoice is due and payable within 30 days of the invoice date.

Base Fee	
Base Fee	$5,500 per Ten-Year Arbitrage Report

Additions to Base Fee	
Commingled funds	$250 per hour
Transferred proceeds	$250 per hour
Debt service residual analysis	$250 per hour
Variable rate computation period analysis	To be negotiated
Universal cap analysis	To be negotiated
IRS Form 8038-T preparation	$500 to $1,000 per form
IRS Form 8038-R preparation	$500 to $1,000 per form
Recalculation of prior arbitrage liability	To be negotiated

Discounts to Base Fee	
Discretionary discounts	To be determined by GCSC

4. **Liability.**

a. **Liability Insurance**. GCSC will provide Client with proof of liability insurance coverage under this Agreement in writing upon request by the Client.

b. **Limit of Liability.** To the fullest extent permitted by applicable law, the total aggregate liability of GCSC under this Agreement for any actions or omissions taken by GCSC in the performance of the Agreement shall be limited to the fees paid by the Client to GCSC under this Agreement. However, such liability shall not apply to the extent penalty and/or interest is imposed on Client by the federal government on any additional rebate amount or yield reduction payment that results from the gross negligence or intentional misconduct of GCSC in rendering services outlined in this Agreement. In such case, it is agreed that GCSC will be liable only for penalty and/or interest imposed by the federal government on any additional rebate amount or yield reduction payment that results from the gross negligence or intentional misconduct of GCSC. The Client, and not GCSC, shall be responsible for the execution and filing of IRS Form 8038-T or 8038-R. Client and not GCSC, shall be responsible for payment of any rebate amount, yield reduction amount, interest, or penalty due to the U.S. Treasury. Under no circumstances shall any current, former or future owner, director, officer, employee, agent, or representatives of GCSC or its parent company, subsidiary, affiliates, successors and assigns have any personal liability arising out of this Agreement and no party shall seek or claim any such personal liability.

5. **Duration of the Agreement.**

a. **Duration.** This Agreement shall commence upon the date as first set forth above and will terminate sixty (60) days following the distribution date of the Ten-Year Arbitrage Report by GCSC to the Client, unless earlier terminated as provided in Paragraphs b, c, and d, of Section 5.

b. **Termination by Client.** Client may terminate this Agreement with or without cause at any time throughout the duration of this Agreement by sending GCSC written notice of termination at least thirty (30) days prior to the effective date of termination so long as Client has no outstanding amount due GCSC. In the event that Client should terminate this Agreement, GCSC shall be relieved of all liability for the Bonds.

c. **Termination by GCSC.** GCSC may terminate this Agreement with or without cause at any time throughout the duration of this Agreement by sending Client written notice of termination at least (30) days prior to the effective date of termination. GCSC may terminate this Agreement immediately if Client: 1) is in default of its principal and/or interest payments; or 2) does not inform GCSC of the full redemption of the Bonds; or 3) does not perform their responsibilities as required by this Agreement.

d. **Force Majeure.** GCSC's performance under this Agreement is subject to acts of God, war, government regulation, threats of terrorism or similar acts, governmental travel advisors, natural disasters, strikes, civil disorder, curtailment of transportation facilities, pandemic, or any other cause beyond GCSC's control making it inadvisable, illegal, impracticable or impossible to perform its duties under this Agreement. GCSC may cancel this Agreement for any one or more of such reasons upon written notice to Client.

6. **General.**

a. **Counterparts/Facsimile/E-mail Signatures.** This Agreement may be executed in one or more counterparts each counterpart being deemed to be an original, and such counterparts together constitute one and the same agreement. Signatures to this Agreement may be evidenced by facsimile, e-mail, or electronic copies containing the party's signature hereto. Any facsimile, e-mail, and/or electronic copy shall be sufficient to evidence the signature of such party as if it were the party's original signature.

b. **Amendments.** No amendments or variations of the terms and conditions of this Agreement shall be valid unless in writing and signed by both parties.

c. **Assignability.** Neither party may assign or otherwise transfer by operation of law or otherwise any rights or obligations set forth in this Agreement without the prior written consent of the other party. This Agreement shall be binding upon and inured to the benefit of the parties and their respective administrators, successors and assigns.

d. **<u>Notice.</u>** Unless otherwise set forth herein, all notices given shall be in writing, signed by an authorized signatory, and shall be deemed to have been given when delivered, transmitted by first class, registered or certified mail with postage prepaid and addressed as follows:

If to Client:	If to GCSC:
St. Croix Preparatory Academy 4260 Stagecoach Trail North Stillwater, Minnesota 55082 Attention: Executive Director	Government Capital Securities Corporation PO Box 197 Bayport, Minnesota 55003 Attention: Gail Robertson, Senior Vice President

7. **<u>Client Information.</u>** All information, files, records, memoranda, and other data of the Client including, but not limited to, reports, studies, photographs, negatives, or any and all other documents prepared by GCSC or its outside consultants in the performance of GCSC's duties under this Agreement ("Client Information") shall be the exclusive property of the Client and shall be remitted to the Client by GCSC upon completion, expiration, or termination of this Agreement. Any such Client Information shall be treated and maintained by GCSC and its outside consultants in accordance with applicable federal, state, and local laws. Further, GCSC will have access to Client Information to the extent necessary to perform GCSC's duties under this Agreement. GCSC agrees to maintain all Client information in the same manner as the Client is required under Minnesota Statutes Chapter 13 or other applicable law.

8. **<u>Information Disclosure and Confidentiality.</u>** GCSC may disclose Client Information to third parties in connection with the performance by it of its duties hereunder. Client acknowledges that in connection with the performance by GCSC of its duties hereunder, Client may become aware of internal files, records, memoranda and other data, including without limitation computer programs of GCSC ("GCSC Information"). Client acknowledges that all GCSC Information, except reports prepared by GCSC for the Client, is confidential and proprietary to GCSC, and agrees that Client will not directly or indirectly, disclose the same or any part thereof to any person or entity except with the express written consent of GCSC.

9. **<u>Law and Venue.</u>** This Agreement shall be governed and construed in accordance with the law of the State of Minnesota without regard to conflict of laws or principles and any action taken hereunder shall take place in the County of Hennepin, State of Minnesota.

10. **<u>Arbitration.</u>** Any dispute arising out of this Agreement shall be arbitrated by and in accordance with the rules of the American Arbitration Association, as so in effect at the time of the filing of the dispute. All arbitrations shall take place in and under the laws set forth in Section 9 herein.

11. **<u>Severability.</u>** All terms and covenants contained in this Agreement are severable. In the event any provision of this Agreement shall be held invalid by any court of competent jurisdiction, this Agreement shall be interpreted as if such invalid terms or covenants were not contained herein and such holding shall not invalidate or render unenforceable any other provision hereof.

12. **<u>Entire Agreement.</u>** This Agreement is the entire agreement between the Client and GCSC and it supersedes all prior written or oral agreements pertaining to the subject matter set forth. There are no other covenants, promises, undertakings or understandings outside of this Agreement other than those specifically set forth. Any term, condition, prior course of dealing, course of performance, usage of trade, understanding, or agreement purporting to modify vary, supplement, or explain any provision of this Agreement is null and void and of no effect unless in writing and signed by representatives of both parties authorized to amend this Agreement.

13. **Authority to Execute**. The individuals signing this Agreement on behalf of GCSC and the Client each represents and warrants that he or she is duly authorized to execute and deliver this Agreement on such party's behalf.

This Agreement is entered into on the date first written above.

GOVERNMENT CAPITAL SECURITIES CORPORATION

By: Jennifer Fuchs

Title: Executive Director

By: Gail Robertson

Title: Senior Vice President