

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re: : **Case No. 17-55517**
: **Brookwood Academy Inc.** : **Chapter 11**
: **Debtor.** : **Judge Charles M. Caldwell**

MOTION OF BROOKWOOD ACADEMY INC., DEBTOR AND DEBTOR-IN-POSSESSION FOR INTERIM AND FINAL ORDERS (1) AUTHORIZING THE DEBTOR TO USE CASH COLLATERAL AND TO PROVIDE ADEQUATE PROTECTION;AND (2) SCHEDULING A FINAL HEARING

Brookwood Academy Inc., the Debtor and Debtor-in-Possession in this Chapter 11 case (“Debtor” or “Brookwood Academy”)¹ moves the Court for an Order pursuant to the provisions of 11 U.S.C. §§105, 361, and 363, Federal Rules of Bankruptcy Procedure 2002, 4001, 6004 and 9014 and Local Bankruptcy Rule 4001-2 and 6004-1 granting the following relief:

1. The Debtor requests that the Court enter interim and final orders authorizing the Debtor to use cash collateral and to grant adequate protection upon terms and conditions set forth below; and
2. The Debtor further requests that the Court schedule an interim hearing and a final hearing on this Motion. This Motion is referred to as the “Cash Collateral Motion” or the “Motion”.
3. No creditors’ committee has yet been appointed in this case by the United States Trustee. No trustee or examiner has been appointed in this Chapter 11 case.

¹ Unless otherwise noted herein, capitalized terms shall have the meaning ascribed to them in the proposed Interim Order attached hereto as Exhibit E.

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This matter is a core proceeding under 28 U.S.C. §157(b)(2).

5. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The matters raised herein constitute core proceedings pursuant to 28 U.S.C. § 157(b)(2). The Debtor continues to operate its business as a debtor in possession in accordance with sections 1107 and 1108 of the Bankruptcy Code.

6. The statutory predicates for the relief requested herein are Sections 105(a), 361, and 363 of the Bankruptcy Code, Federal Bankruptcy Rules 2002, 4001, 6004, and 9014, and Local Bankruptcy Rules 4001-2 and 6004-1.

In support of this Motion, the Debtor respectfully states and represents as follows:

BACKGROUND

7. Brookwood Academy Inc., debtor and debtor in possession, (“Debtor” or “Brookwood Academy”) is an Ohio 501(C)(3) non-profit corporation doing business in Central Ohio. Brookwood Academy is a public charter school that opened its doors for the 2012-2013 school year. Brookwood Academy grew from the Brookwood Community Learning Center, which opened in 2001 as a mission of Brookwood Presbyterian Church (the “Church”), and was the vision of Executive Director, Ellen Wristen, a local attorney engaged in the practice of law representing families relative to special education issues. The focus of Brookwood Academy is to service students in grades 4 through 12 who have emotional and/or behavioral issues that adversely affect their educational performance. These students suffer from a variety of mental health issues including autism, traumatic brain injury, major depression, mood disorders and ADHD. The students at Brookwood Academy represent a full range of cognitive abilities. At

the close of the 2016-2017 school year, Brookwood Academy had 98 students, seven (7) of whom graduated from Brookwood Academy's program at the conclusion of the 2016-2017 term. At the start of the present 2017-2018, and as of the Petition Date, Brookwood Academy's enrollment consists of 98 students.

8. Brookwood Academy's goal is to work with each individual student through an individualized program to assist the student in the development of academic and social skills. Students 14 years and older are provided with a plan specifically tailored to help transition the student to adulthood as part of their individualized educational goals. Students who graduate from Brookwood Academy typically enter the competitive work force, attend college or other adult post-high school educational programs and/or engage in community supported work programs. Brookwood Academy's primary source of funding is generated through federal and state grants. In addition to this grant funding, Brookwood Academy has access to a \$50,000 line of credit from U.S. Bank National Association ("U.S. Bank Line of Credit"), which is secured by a blanket lien on Brookwood Academy's assets. John Birkner, the former president of Brookwood Academy's board of directors, personally guaranteed this line of credit.²

9. Brookwood Academy directly employs 26 people, 4 of which are part time, and 22 of which are full time (the "Employees"). Of these Employees, 11 are Teachers, and 15 hold other staff positions within Brookwood Academy. All of the Employees work out of Brookwood Academy's school, located within the Church at 2685 East Livingston Avenue, Columbus, Ohio (the "Business Location"). Brookwood Academy leases the Business Location from the Church and most of the assets utilized by Brookwood Academy to operate its school are owned by the Church.

² As of the Petition Date, the balance of the U.S. Bank Line of Credit is \$49,353.68. The Debtor reserves the right to review and, to the extent it deems appropriate, contest the validity of this claim. This information is provided by way of background for the purposes of context.

10. On or about June 16, 2015, Brookwood Academy entered into a contract with Baybrook and Associates LLC d/b/a Highlands Community Learning Center (“Baybrook”), an entity that provides similar educational services to special needs students. Brookwood Academy’s purpose for entering into the contract with Baybrook was to find a suitable educational alternative for certain students suffering from severe disabilities that Brookwood Academy determined it did not have the capabilities to serve. In turn, Baybrook was to be compensated for providing educational services to these particular Brookwood Academy students. Unfortunately, Brookwood Academy and Baybrook’s business relationship ended in a contract dispute which resulted in litigation filed by Baybrook against Brookwood Academy in the Franklin County Court of Common Pleas styled as *Baybrook and Associates LLC v. Brookwood Academy Inc.*, Case No. 16 CV 2426 (the “State Court Litigation”). In April of 2017, a jury trial was conducted and the jury returned a verdict in favor of Baybrook in the amount of \$179,121.95.³ On August 25, 2017, Brookwood Academy filed an appeal of the Baybrook Judgment with the Tenth District Court of Appeals. Throughout the course of the State Court Litigation and following the entry of the Baybrook Judgment, Brookwood Academy attempted to resolve this litigation with Baybrook, but its efforts were unsuccessful.

11. In addition to the Baybrook Judgment and the U.S. Bank Line of Credit, Brookwood Academy has approximately \$532,000.00 in other unsecured liabilities.⁴

³ The jury verdict was entered in the form of a Magistrate’s opinion and recommendation dated April 6, 2017 (the “Magistrate’s Opinion”). Brookwood Academy subsequently objected to the Magistrate’s Opinion but on August 24, 2017, Judge French entered her *Decision and Entry Overruling Defendant’s Objections to Magistrate’s Decision Dated April 6, 2017 Filed April 20, 2017 and Decision and Entry Overruling Defendant’s Supplemental Objections to Magistrate’s Report, Filed June 15, 2017, and Decision and Entry Granting Plaintiff’s Motion Requesting a Ruling, Filed June 14, 2017 and Decision and Entry Adopting the Magistrate’s Decision Following Jury Trial, Filed April 6, 2017* (the “Baybrook Judgment”).

⁴ The Debtor reserves the right to review and, to the extent it deems appropriate, contest the validity of any and all claims presented against both it and the estate. This information is provided by way of background for the purposes of context.

12. Brookwood Academy commenced this Chapter 11 proceeding to address these matters to conclusion in a centralized forum, and timely propose a Chapter 11 Plan in an effort to reorganize its financial affairs.

BANKRUPTCY RULE 4001(b)(1)(B)
CONCISE STATEMENT OF RELIEF REQUESTED

13. In accordance with Bankruptcy Rule 4001(b)(1)(B), the Debtor submits the following concise statement of relief requested. Pursuant to § 363 of the Bankruptcy Code, the Debtor requests authority to use cash collateral pursuant to the terms of the Interim Order and a final order to be entered after a final hearing. The Debtor's use of cash collateral will provide working capital to the Debtor for use in its operations in accordance with the Budget attached to the Interim Order.

14. To the best of the Debtor's knowledge, the only party who may have or may claim to have an interest in cash collateral is U.S. Bank National Association ("U.S. Bank"), who may have or whom may claim a security interest in cash collateral by virtue of a pre-petition security agreement and financing statement. The Debtor has not entered into any agreement with any other party who may have or claim a security interest in cash collateral.

15. The Debtor simply proposes to use the cash collateral pursuant to Section 361, 362, and 363 of the Bankruptcy Code, and provide adequate protection to U.S. Bank by re-granting pre-petition liens to the same extent, amount, and priority as they may have existed pre-petition without the necessity of the re-filing of any UCC Financing Statement or other document, by spending cash collateral only in accordance with the Budget, by the payment of interest on a monthly basis as set forth in the Interim Order, and as reflected in the Budget, and by providing the other protections described in the Interim Order. The proposed duration for the use of cash collateral is thirteen (13) weeks.

16. U.S. Bank may have, or may claim to have, an interest in the Debtor's cash collateral by virtue of the following documents:

a. that certain Cash Flow Manager Line of Credit Agreement and Terms with Guaranty dated April 29, 2013, a copy of which is attached hereto as Exhibit A;

b. that certain U.S. Bank Cash Flow Manager Security Agreement dated April 29, 2013, a copy of which is attached hereto as Exhibit B;

c. UCC-1 financing statement filed with the Ohio Secretary of State on May 14, 2013, a copy of which is attached hereto as Exhibit C; and

d. UCC amendment filed with the Ohio Secretary of State on April 10, 2015, a copy of which is attached hereto as Exhibit D.

17. The property of the Debtor's estate that may constitute cash collateral, as such term is defined in Section 363(a) of the Bankruptcy Code, in which U.S. Bank may have, or may claim to have, an interest includes all of the Debtor's bank accounts as of the Petition Date, and all proceeds received subsequent to the Petition Date relative to the services rendered by the Debtor.⁵

BASIS FOR RELIEF

18. The Debtor intends to finance the operations of its businesses during this Chapter 11 case, in part, through the continued use of certain Cash Collateral. A copy of the proposed Interim Order for use of Cash Collateral is attached hereto as Exhibit E. The Cash Collateral will be used to fund general business needs, including the payment of its payroll, taxes, the purchase of necessary supplies and services, and to pay fees and expenses related to this Chapter 11 case, including the fees of professionals. Use of Cash Collateral shall be limited to the line items of expense categories set forth in the budget ("the Budget"), which is attached to the proposed

⁵ As of the Petition Date, the Debtor held approximately \$82,662.41 in its pre-petition bank accounts.

Interim Order. The Debtor intends to grant U.S. Bank adequate protection of any interest it may have in Cash Collateral, by granting U.S. Bank a replacement lien in Cash Collateral generated by the post-petition operation of the Debtor's business, to the extent of any valid and subsisting liens or interest held by it in Cash Collateral as of the Petition Date, and through the payment of interest on a monthly basis, as provided in the Budget.⁶

19. Accordingly, the Debtor requests entry of interim and final orders authorizing the Debtor to use Cash Collateral during the Interim Period on the terms and conditions which follow:

- (a) use the Cash Collateral pursuant to Section 361, 362, and 363 of the Bankruptcy Code, and provide adequate protection to U.S. Bank by re-granting liens to the same extent, amount, and priority as they may have existed prior to the Petition Date, without the necessity of the re-filing of any UCC Financing Statement or other document, by the payment of interest on a monthly basis as set forth in the Budget, and by spending Cash Collateral only in accordance with the line items of expense categories set forth in the Budget and by providing the other protections described in the Interim Order; and
- (c) schedule, pursuant to Federal Rule of Bankruptcy Procedure 4001 and Local Bankruptcy Rule 4001-2, an Interim Hearing on this Motion and to enter an Interim Order in substantially the same form as is attached as Exhibit E; and
- (d) schedule, pursuant to Federal Rule of Bankruptcy Procedure 4001 and Local Bankruptcy Rule 4001-2, on not less than fourteen (14) days Notice of the entry of the Interim Order, a final hearing ("the Final Hearing") authorizing the use of Cash Collateral on a final basis.

20. The Debtor does not have sufficient available sources of working capital and financing to operate its business without the use of the Cash Collateral. The Debtor has an immediate need to use the Cash Collateral to, among other things, purchase various products and services from its vendors and pay other routine operating expenses, such as payroll, lease

⁶ As reflected in the Budget, the Debtor proposes payment of monthly interest to U.S. Bank in the amount of \$310.00, which amount is based upon the prime plus rate of 7.75%.

payments, taxes, or other obligations. In the absence of immediate authorization of the use of the Cash Collateral, the Debtor cannot continue to operate its business, and immediate and irreparable harm to the Debtor and this estate could occur.

21. In addition, access to the Cash Collateral will provide the Debtor' students and vendors with the requisite security that the Debtor will be able to continue conducting its business in the ordinary course without interruptions and to fund this case pending its administration through the Chapter 11 plan process.

22. The Debtor notes that is only seeking authority to use Cash Collateral and that it is not herein seeking the authority to obtain post-petition secured financing. In the ordinary course of business, the Debtor intends to fund its purchase of supplies, on account, as it did previous to the Petition Date, and to pay such accounts through the use of Cash Collateral.

23. Local Rule 4001-2 requires that certain provisions contained in the Interim Order be highlighted ("the Highlighted Provisions"), and that the Debtor must provide justification for the inclusion of such Highlighted Provisions. The Debtor is only proposing to use Cash Collateral and submits that the proposed Interim Order does not contain any of the provisions that would otherwise need to be highlighted under this Local Rule 4001-2. Accordingly, there being no provisions to highlight, there is no need for, and the Debtor does not attach, a checklist in the form that would otherwise would be required by Local Rule 4001-2(a)(1) and (3) identifying the location of each Highlighted Provision.

The Use of Cash Collateral Should be Approved

24. The Debtor's Budget demonstrates that the Debtor requires use of the Cash Collateral to pay present operating expenses, including payroll, and to pay vendors to ensure a continued supply of services and material essential to the Debtor' continued viability. If unable

to use the Cash Collateral, the Debtor would be unable to operate its business.

25. Under Section 363(c)(2) of the Bankruptcy Code, the Debtor may not use Cash Collateral without the consent of each entity that has an interest in Cash Collateral or by the authority granted by the Court. Section 363(e) of the Bankruptcy Code provides that on request of an entity that has an interest in property to be used by a debtor, the Court shall prohibit or condition such use as necessary to provide adequate protection of such interest. The Debtor submits that the adequate protection to be provided to U.S. Bank is sufficient to approve the use of the Cash Collateral under Section 363 of the Bankruptcy Code.

26. The determination of adequate protection is a fact-specific inquiry to be decided on a case-by-case basis. See In re Mosello, 195 B.R. 277, 288 (Bankr. S.D.N.Y. 1996); In re O'Connor, 808 F.2d 1393, 1396-97 (10th Cir. 1987). Adequate protection can be provided in a number of ways (see, e.g., 11 U.S.C. §361), with the focus being to protect a secured creditor from diminution in the value of its interest in the collateral during the period of use. See In re 495 Cent. Park Ave. Corp., 136 B.R. 626, 631 (Bankr. S.D.N.Y. 1992) (purpose of adequate protection is “to safeguard the secured creditor from diminution in the value of its interest during the Chapter 11 reorganization”); In re Beker Indus. Corp., 58 B.R. 725, 736 (Bankr. S.D.N.Y. 1986). U.S. Bank is adequately protected because its liens will be re-granted in and to the post-petition assets to the extent of the validity and priority of its pre-petition liens, if any. The Debtor further proposes to make interest only payments to U.S. Bank as an additional form of adequate protection. These provisions are a traditional means of provide adequate protection.

27. Adequate protection is also provided to U.S. Bank by the Debtor only spending Cash Collateral in accordance with the line items of expense categories set forth in the Budget and by the reporting that the Debtor will make to U.S. Bank.

The Interim Order Should be Entered

28. Bankruptcy Rules 4002(b) and (c) provide that a final hearing on a motion to use cash collateral pursuant to Section 363 of the Bankruptcy Code may not be commenced earlier than fourteen (14) days after the service of such motion. Upon request, however, the Court is empowered to conduct a preliminary expedited hearing on the Motion and authorize the use of cash collateral to the extent necessary to avoid immediate and irreparable harm to the Debtor's estate.

29. The Debtor requires the immediate use of Cash Collateral to pay present operating expenses, including but not limited to payroll, to pay vendors to ensure a continued supply of goods essential to the Debtor's continued viability, and taxes. Thus, the use of the Cash Collateral is necessary to avoid immediate and irreparable damage to the Debtor's estate, and the Debtor states that interim relief pursuant to Bankruptcy Rule 4001 is appropriate.

30. Therefore, the Debtor requests that the Court schedule and conduct an interim hearing to consider entry of the proposed Interim Order (a) authorizing the Debtor from and after the entry of the Interim Order until the Final Hearing to utilize the Cash Collateral as provided in the proposed Interim Order, and (b) granting the adequate protection as provided in the proposed Interim Order. This relief will enable the Debtor to operate its business in the ordinary course and avoid immediate and irreparable harm and prejudice to its estate and all parties in interest, pending the Final Hearing.

Establishing Notice Procedures and Scheduling Final Hearing

31. A copy of this Motion has been served on the parties on the attached service list in the manner indicated. The service list includes the following parties;

- (i) the Office of the United States Trustee;
- (ii) The Debtor's twenty (20) largest unsecured creditors as identified in its

- chapter 11 filing; and
- (iii) U.S. Bank or its counsel.

32. Contemporaneously with the filing of this Motion the Debtor has also filed its *Motion of Brookwood Academy, Inc., Debtor and Debtor in Possession, for the Entry of an Order (A) Scheduling Expedited Hearings on First Day Motions and (B) Approving Form and Manner of Notice Thereof*. Among the relief sought therein is a request that the Court conduct expedited, emergency hearings on certain matters herein, including this request for the interim use of Cash Collateral. If such relief is granted, the Debtor will serve a copy of the Notice of any such Expedited Hearing upon various parties as specified therein, including the parties referenced above, by overnight express mail. Under the circumstances, notice of this Motion and of the Expedited Hearing on this Motion is sufficient and no further notice should be required.

33. The Debtor further respectfully requests that the Court schedule the Final Hearing and authorize the Debtor to serve a copy of the signed Interim Order (which fixes the time and date for the filing of objections) by first-class mail upon the same parties served with this Motion and any party who files a request for notice in these Chapter 11 cases pursuant to Bankruptcy Rule 2002 prior to the date set forth in the Interim Order for service of notice of the Final Hearing. The Debtor requests that the Court consider such notice of the Final Hearing to be sufficient notice under Bankruptcy Rule 4001 and Local Rule 4001-2.

Waiver of Requirement to File Memorandum of Law

34. The Debtor states that this Motion does not present any novel issues of law requiring briefing and that the Motion adequately describes the issues presented. Therefore, the Debtor requests that the Court waive the requirement pursuant to Local Rule 9013-1(a) for a memorandum in support of this Motion.

No Prior Request

35. No previous request for the relief sought herein has been made to this Court or any other court.

For the various reasons set forth in this Motion, the Debtor states that cause exists for the Motion to be granted.

Respectfully submitted,

/s/ Richard K. Stovall

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*Proposed Counsel for Brookwood Academy Inc.,
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EXHIBIT A

CASH FLOW MANAGER LINE OF CREDIT AGREEMENT AND TERMS WITH GUARANTY

U.S. Bank® Cash Flow Manager	Borrower (Exact Legal Name)
Account Number: 3000908153	BROOKWOOD ACADEMY INC
Note Date: 04/29/2013	2685 LIVINGSTON AVE E
Credit Limit: \$50,000.00	COLUMBUS, OH 432092961
Tax ID Number: 45-4859290	Type of Organization: NOT FOR PROFIT
Advance Account: 0000000000000000	State of Registration: OH
Payment Account: 130118296545	Date Current Owner Began: 04/09/2012
Credit Limit not to exceed \$100,000	Gross Annual Sales: \$2,300,000

This Agreement provides the general terms and conditions applicable to the U.S. Bank Cash Flow Manager Line of Credit ("Line of Credit"). "Borrower" refers to the business that was granted the Line of Credit. "Guarantor" refers to each individual, individually and collectively, who sign this Agreement individually and on behalf of the Borrower. "Payment Account" means the business checking account designated for automatic payments. "Advance Account" means the business checking account designated for overdraft protection, online banking, and telephone transfers. The term "Agreement" means these terms and conditions, and any guaranties, security agreements, addenda, confirmation statements, and any other documents and instruments previously, now or later executed by or delivered to Borrower or any Guarantor in connection with the Line of Credit, all taken together as one agreement.

1. The U.S. Bank Cash Flow Manager Line of Credit. Subject to the terms and conditions of this Agreement, Lender may at its discretion make Advances (collectively "Advances") to Borrower under the Line of Credit. Borrower may borrow under the Line of Credit, partially or wholly repay its outstanding Advances, and request additional Advances; provided that Lender shall always have the discretion to decline to make any Advance as otherwise provided in this Agreement.
2. Credit Limit. The aggregate principal amount outstanding at any one time under the Line of Credit shall not exceed Borrower's approved credit limit of \$50,000.00. Lender reserves the right to periodically re-evaluate the Borrower's Line of Credit and, based on Lender's criteria for determining the likelihood of repayment, increase or decrease the Credit Limit without advance notice to Borrower and without notice to any Guarantor. "Credit Limit" means the maximum principal amount as that amount is increased or decreased from time to time in accordance with this Agreement, and such amount shall never exceed \$100,000.
3. Optional Advances. Each Advance shall be made at the sole option of Lender. Lender is not committed to lend any amounts to Borrower.
4. Purpose. Advances shall be used solely to provide short-term working capital for Borrower and for Borrower's general business purposes.
5. Advances.
 - a. Amount of Each Advance. Each Advance must be in a minimum principal amount equal to the lesser of (i) \$100 or (ii) the amount available under the Credit Limit (the "Minimum Amount") and may be for a greater amount up to the amount available under the Credit Limit.
 - b. Periodic Finance Charge
 - (i) The finance charge for any day in a Billing Cycle is computed by multiplying the actual daily principal balance of the Advances for that day times the daily periodic rate for the Billing Cycle. The finance charge on the Advances for a Billing Cycle is equal to the sum of the interest finance charges for each day in the Billing Cycle. For purposes of this Agreement, "Billing Cycle" means the monthly period designated by Lender from time to time as the "Billing Cycle".
 - (ii) The annual percentage rate for the Advances during a Billing Cycle is the Wall Street Journal Prime Rate plus 3.500%. "Wall Street Journal Prime Rate" means the highest Prime Rate (U.S.) published in The Wall Street Journal "Money Rates" table on a particular date. It is equal to the highest Prime Rate (U.S.) first published during the month in which the Billing Cycle begins. "Interest Rate Margin" means the percentage margin over the Wall Street Journal Prime Rate, and may change from time to time in accordance with this Agreement. The daily periodic rate for a particular day is equal to the annual percentage rate for that day divided by 360. The daily periodic and annual percentage rates will change on the first day of each calendar month in which the Wall Street Journal Prime Rate on such date is different from the Wall Street Journal Prime Rate on the first day of the previous calendar Month and on any date on which the Interest Rate Margin shall be adjusted in accordance with this Agreement. If the first day of a particular calendar month falls a Saturday, Sunday or legal holiday, the date of determination for purposes of adjusting the daily periodic and annual percentage rates for that month shall be the immediately preceding business day. The annual percentage rate for this line of credit will not decrease below 6%.
6. Payment Schedule. Borrower must make payments on the Line of Credit according to the terms described below. Except as otherwise required by applicable law, Lender will apply payments on the Line of Credit in such order as Lender shall determine from time to time.
 - a. Periodic Payments. On Day 01 of each month and each consecutive month thereafter, Borrower shall pay to Lender at least the Minimum Payment Due. The Minimum Payment Due is an amount equal to the sum of the Current Minimum Payment plus any past due amounts. The Current Minimum Payment is the greater of (i) the sum of (A) 2.500% of all principal owing with respect to the Advances, plus (B) all accrued premiums for Payment Protection, if applicable, plus (C) all outstanding fees, less past due amounts, or (ii) \$100. If the Minimum Payment Due would otherwise be more than the outstanding balance of principal, interest, premiums from Payment Protection and fees (the "New Balance"), then the Minimum Payment Due is equal to the New Balance.
 - b. Fixed Rate Loan Option. At either Borrower's or Lender's option, at any time during the Draw Period, the outstanding Advance amount, or a portion of such amount, may be converted to a payment schedule ("Fixed Rate Loan"), subject to the following terms:
 - The Fixed Rate Loan period will be for a minimum term of 12 months and a maximum term of 5 years or the then remaining term of the draw and repayment period, whichever is less.
 - The minimum Fixed Rate Loan amount is \$2,000.
 - Lender may charge a fee of \$50 for each Fixed Rate Loan, and may limit the number of Fixed Rate Loans outstanding at one time.



- The unpaid principal balance of the fixed Rate Loan is part of the Credit Limit, and each payment toward principal will pay replenish your Credit Limit as of the date a payment is posted.
 - The fixed simple interest rate will be determined by reference to The Wall Street Journal Prime Rate in effect on the date of the Fixed Rate Loan plus (or minus) a margin. A new margin is established for the Fixed Rate Loan; this margin is not the same as the one used for the variable rate portion of the Line of Credit.
 - Interest will be computed for the actual number of days principal is unpaid, using a daily factor obtained by dividing the stated interest rate by 360. In no event will the interest rate hereunder exceed that permitted by applicable law. If any interest or other charge is finally determined by a court of competent jurisdiction to exceed the maximum amount permitted by law, the interest or charge shall be reduced to the maximum permitted by law, and Lender may credit any excess amount previously collected against the balance due or refund the amount to Borrower.
 - Fixed payment amounts where each Fixed Rate Loan will have its own payment amount, determined by applying the rate to the amount of the Fixed Rate Loan for the applicable term, and producing equal monthly payments of principal and interest over the term of the Fixed Rate Loan.
 - The minimum payment each month will be the fixed Rate Loan payment plus the regularly-scheduled periodic payment (if any).
- c. Demand. The principal balance of all Advances, together with accrued but unpaid interest on such Advances and all outstanding fees and charges, shall be payable ON DEMAND given by Lender to Borrower. If the Line of Credit is canceled for any reason by either party or by operation of this Agreement, the principal balance of the Advances outstanding on the date of cancellation and all accrued interest on all Advances, together with all outstanding fees and charges, shall be immediately due and payable.
- d. Bankruptcy. Notwithstanding the foregoing provisions, the principal balance of all outstanding Advances and accrued interest thereon, together with all outstanding fees and charges, shall be automatically due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby waived, if any bankruptcy, insolvency or receivership proceedings, or an assignment for the benefit of creditors shall be commenced under any federal or state law by or against any Borrower.
7. Requests for Advances. Advances may be requested by the following means. Requests for Advances shall be subject to any applicable processing deadlines as may be established by Lender and any affiliate bank.
- a. In Person. Advances may be requested in person at Lender or an affiliate bank.
 - b. Telephone. If Borrower has designated an Advance Account, Borrower may request Advances by calling U.S. Bank Business Solutions toll free at (800) 673-3555 (Minneapolis/St. Paul call 651-244-7770). Advances made pursuant to a telephone request will be deposited to Borrower's Advance Account. Each Advance requested by telephone must be for at least \$100 and may be for a greater amount up to the amount available under the Credit Limit. Lender need not honor Borrower's telephone instructions unless Borrower correctly gives Lender such identifying information, if any, as Lender may request. Notwithstanding any other provision of this Agreement, Lender may decline to honor any telephone transfer request or may cancel Borrower's telephone transfer privileges at any time. Lender's phone banking features includes ordering additional convenience checks for Borrower's line of credit, transferring funds to advance Borrower's line and to receive historical transaction data and current balance information.
 - c. Online Banking. If Borrower has been granted online banking privileges with Lender or any affiliate bank approved by Lender, and Borrower designated an Advance Account in this Agreement, Borrower may request Advances via online banking in accordance with any applicable procedures established by Lender and such affiliate bank(s) from time to time. Advances made pursuant to an online banking request will be deposited to Borrower's Advance Account. Each Advance requested by Internet banking must be for at least \$100 and may be for a greater amount up to the amount available under the Credit Limit. Lender need not honor Borrower's Internet borrowing instructions unless Borrower correctly provides such identifying information, if any, as Lender and any applicable affiliate bank(s) may request. Notwithstanding any other provision of this Agreement, Lender or any applicable affiliate bank may decline to honor any Internet request for an advance of Advance proceeds or may cancel Borrower's Internet banking privileges at any time.
 - d. Convenience Checks. Advances may be requested by using the special "U.S. Bank Cash Flow Manager Convenience Checks" Lender provides to Borrower ("Convenience Check"). The Convenience Checks will be mailed

out separately. The amount of each Convenience Check will be an Advance on the day it is presented to Lender and paid. The Convenience Checks may be used like ordinary checks by any one of the person(s) authorized to request Advances in this Agreement. Each Convenience Check must be written for a minimum of \$100, and may be written for a greater amount up to the amount available under the Credit Limit of the Line of Credit. Notwithstanding any other provision of this Agreement, Lender may decline to honor any Convenience Check at any time.

- e. VISA® Card. Advances may be requested through the use of a special U.S. Bank VISA credit card ("Card") issued by Lender. Borrower may request Advances through use of the Card wherever VISA cards are accepted. Borrower agrees to the terms specified in Section 23 of this agreement concerning the use of the Card. Your card and personal identification number ("PIN") to access your line of credit will be mailed to you in separate mailings.
- f. Overdraft Protection. If Borrower applies for automatic overdraft transfer privileges (as indicated below), and Borrower has designated an Advance Account, Lender may at its option make Advances to Borrower's Advance Account when checks drawn on such account result in an overdraft of that account. Borrower hereby authorizes Lender to make an Advance to the specified Advance Account in increments of \$100 or the unused portion of your credit line, if that is less. Therefore, a request for an uneven amount will be rounded to the next higher \$100 in most cases. If at any time an Advance in an amount sufficient to pay the overdraft would cause the aggregate principal balance of the Advances to exceed the Credit Limit, Lender may, in its sole discretion, either dishonor or pay the check or checks which create such overdraft, and Borrower shall pay all overdraft, non-sufficient funds ("NSF") and other applicable business deposit account charges. Notwithstanding any other provisions of this Agreement, Lender may decline to make any Advance to cover an overdraft in Borrower's Advance Account or may cancel Borrower's overdraft protection privileges under this Agreement at any time.

If checked, Borrower authorizes Lender to link Authorized Deposit Account #0000000000000000 to this Line of Credit for Overdraft Protection, Online Banking and Telephone Transfers, as applicable.

8. Authority. Advances may be requested by any Borrower or any person who signs this Agreement as a representative of Borrower. Lender is authorized to process any requests for an Advance made by any person who represents that such person is authorized to request Advances, including any person who uses the Card or signs or uses Convenience Checks, and Borrower agrees that Lender shall have no obligation to verify the identity of any such person. Borrower assumes all risks of the validity and authorization of such requests. Borrower shall pay to Lender the principal amount and finance charges and other amounts due hereunder, even if Advances may have been requested by a person(s) not authorized to do so. Notwithstanding the foregoing, Lender may require any person requesting an Advance to provide such identifying information as Lender requests.
9. Maintenance of Checking Account; Payment by Automatic Debit. Borrower agrees to maintain an Authorized Deposit Account (identified below) with Lender or an affiliate approved by Lender at all times while this Agreement is in effect. If Borrower ceases to comply with this requirement, this Agreement may be automatically canceled by Lender without advance notice to Borrower and without notice to any Guarantor, and upon such cancellation all amounts owing under this Agreement will be immediately due and payable. Borrower hereby authorizes Lender to automatically deduct the amount of all payments from Borrower's Advance Account or Payment Account. If there are insufficient funds in Borrower's Advance Account and Payment Account to pay the required payment, Borrower agrees to pay all fees on the account, which result from the automatic deductions, including any overdraft and NSF charges and any returned payment fee. If for any reason Lender does not charge the Advance Account or Payment Account for payment, or if an automatic payment from either of such accounts is reversed, the payment is still due according to this Agreement. The number of withdrawals from the Advance Account or Payment Account may be limited, as set out in the customer agreement for that account. Lender may cancel the automatic deduction at any time in its discretion.
- Borrower authorizes Lender to deduct this Line of Credit minimum payment each month from Authorized Deposit Account #130118296545 on the payment due date specified in Section 6a.
10. Advances Exceeding Credit Limit. Notwithstanding any other provisions of this Agreement, in the event Lender honors any request for an Advance after cancellation of this Agreement or which results in Borrower's Credit Limit being exceeded, Borrower will be liable to Lender for and agrees to pay any such Advances, together with interest at the applicable rate, plus any applicable fees and charges, upon demand by Lender.



11. **Default Rate.** Upon the failure of Borrower to timely pay any amounts due hereunder, whether by demand or otherwise, Lender may, at its option, without advance notice to Borrower and without notice to any Guarantor, increase the annual percentage rate applicable to the Advances by up to 10% per annum over the annual rate that would otherwise be in effect under the terms of this Agreement. However, such rate will not exceed the maximum rate permitted by applicable law.
12. **Late Charge.** A Late Fee of 5% of the delinquent amount will be charged if the payment is not received within 5 calendar days of the due date. If the 5-day period expires on a Saturday, Sunday or legal holiday, the fee will be charged on the next business day.
13. **Fees and Charges**
- a. Borrower shall pay to Lender an annual fee in the amount of \$ 150.00 on 07/29/2013 and on each yearly anniversary thereof, and shall also pay any other ongoing periodic fees established from time to time in accordance with this Agreement.
 - b. For each payment made by Borrower to Lender that is returned or rejected (such as a check that is returned unpaid, or an automated transfer that is rejected), Borrower shall pay Lender a returned payment fee of \$25.00.
 - c. If Lender refuses to honor a Convenience Check because Lender's payment thereof would cause the principal balance of the Line of Credit to exceed the Credit Limit, or because sufficient credit under the Line of Credit is not available for any reason whatsoever, Borrower shall pay an insufficient funds fee of \$25.00.
 - d. Borrower shall pay a stop payment charge of \$29.00 for each Convenience Check for which a stop payment order has been given. Lender is not obligated to honor any written or oral stop payment order on a Convenience Check unless the stop payment order is made by the signer of that Convenience Check. If any signer gives a stop payment order, that order may be revoked only by that signer. Lender may require Borrower to immediately pay Lender these stop payment charges, or at Lender's option, Lender may charge them to the Line of Credit as an Advance.
14. **Payment Protection.** The U.S. Bank Payment Protection Plan (the "Plan") is an optional provision of your Line of Credit, as described in the Payment Protection Plan Addendum. Your decision whether or not to purchase this protection will not affect your application for credit or the terms of any existing credit agreement you have with U.S. Bank. There are eligibility requirements, conditions and exclusions which apply to each type of protection and that may prevent you from obtaining protection under the Plan. These are fully explained in the U.S. Bank Payment Protection Plan Addendum which amends the Line of Credit. If you are not completely satisfied, you may cancel the Plan within 30 days and we will refund any Debt Cancellation Fee paid by crediting your Line of Credit. Additionally, you may cancel at any time by notifying us in writing and receive a refund of unearned fees (if any).
15. **Cancellation.** Either Borrower or Lender may cancel this Agreement for any reason at any time by written notice to the other. Upon cancellation, no further Advances will be made to Borrower, and all amounts owing under this Agreement shall be immediately due and payable. Lender may accept cancellation instructions from any person signing this Agreement on behalf of Borrower.
16. **Security.** Borrower's Line of Credit may be secured by a security interest in certain collateral of Borrower, as may be specified in a separate Security Agreement signed by Borrower.
17. **Guaranty.** Any shareholder, partner or member owning 20% or more interest in Borrower must sign as a personal Guarantor. All persons who sign this Agreement, other than Borrower, are Guarantors. Each Guarantor guarantees the payment of all present and future obligations under this Agreement. The obligations of all Guarantors are joint and several. Lender can collect any obligation from any guarantor without first trying to collect from Borrower or any other Guarantor. Each Guarantor understands and agrees that these documents will apply to all Guarantors even if they do not read them. To the fullest extent permitted by applicable law, each Guarantor will pay all legal expenses and other expenses in connection with enforcing the Line of Credit and this Guaranty. No Guarantor's liability under this Guaranty will be affected by the fact that (1) any other person guarantees or does not guarantee, (2) Lender releases or settles with or does not proceed against Borrower or any Guarantor, (3) the terms of the Line of Credit are changed (including an increase in amount) with or without notice to the Guarantor, or (4) Borrower may have any defense against paying. Each Guarantor grants to Lender a security interest in all deposit accounts with Lender, with U.S. Bank National Association or with any affiliated bank to secure all obligations of the Guarantor to Lender.
- Lender may also require other Guarantors. Each Guarantor shall from time to time execute such guaranties, and in such form as Lender requires; provided,

that each Guarantor shall be deemed to have guaranteed the guaranteed amounts whether or not he or she shall have signed a separate guaranty. Each Guarantor authorizes Lender to: (a) obtain credit and employment information about such Guarantor; (b) obtain credit reports and make inquiries pertaining to such Guarantor which Lender considers appropriate from time to time in connection with the Line of Credit; (c) make Lender's experience with Guarantor and Borrower's Line of Credit available to credit bureaus, other Guarantors, Lender's affiliates and persons who have or expect to have financial dealings with such Guarantor; (d) share collection information with such Guarantor's other creditors; and (e) disclose information as required by law. Each Guarantor waives, to the fullest extent possible under applicable law, all surety-ship defenses available to a surety and agrees that the guaranteed obligation shall be a direct obligation of Guarantor on default. Each Guarantor also hereby waives all benefits and protections under Arizona Revised Statutes Sections 12-1641 through 12-1644.

The terms in this paragraph apply only to Guarantors residing in Kentucky; Notwithstanding the provisions of this Agreement, the maximum aggregate liability of each guarantor under this Guaranty shall not exceed the loan amount requested by the Borrower in this Agreement ("Guaranteed Principal"), plus all interest accruing on and fees and charges relating to the Guaranteed Principal and costs of collecting the Guaranteed Principal or otherwise enforcing the Lender's rights under this Guaranty, including reasonable attorneys' fees and expenses (collectively the "Guaranteed Obligations"). Such Guarantor's obligations shall remain in full force and effective until, and shall terminate (as used in Kentucky Revised Statutes 8371.065, as amended) on the earlier of (a) the day following the date of payment in full upon maturity of the Guaranteed Obligations; or (b) 7 years after the date of this Agreement, but any such termination of the Guaranty shall not affect the liability of the guarantor with respect to Guaranteed Obligations created or incurred prior to such termination date ("Prior Obligations") or extensions or renewals of, interest accruing on, or fees, costs or expenses incurred with respect to, such Prior Obligations prior to, on or after such termination date.

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your personal credit report

18. **Other Agreements**

- a. **Inspection.** Borrower shall permit any authorized representatives of Lender at any reasonable time and from time to time to visit and inspect any of the properties of Borrower and to examine, inspect, make copies, and take extracts from Borrower's books and records.
- b. **Compliance with Laws.** Borrower shall comply with all applicable federal, state, regional and local laws, regulations and ordinances and shall maintain all licenses, permits and authorizations required for the conduct of its business.
- c. **No Change of Business.** Borrower, without the written consent of Lender, shall not make any substantial or material change in the nature of Borrower's business.
- d. **Additional Acts.** Borrower shall and shall cause each Guarantor to, from time to time, provide such information, execute such documents and do such acts as may reasonably be required by Lender in connection with any of Borrower's or any Guarantor's obligations under this Agreement.

19. **Credit Review.** Lender may periodically review Borrower's creditworthiness and use of the Line of Credit. In doing so, Lender may review credit reports of the Borrower and any Guarantors, Borrower's advance and repayment history, Borrower's utilization of the Credit Limit, and any other credit or other information that the Lender believes to be relevant. Lender may request, and Borrower and all Guarantors agree to provide, any information regarding Borrower's or any Guarantor's financial condition, business operations, and other information that Lender believes is appropriate to conduct its review. Based wholly or in part on such information or on a Credit Score (as described below), Lender may do any one or more or all of the following: (i) reduce or increase the Credit Limit, (ii) refuse to make any Advance, or (iii) raise or lower the interest rates (including margins) and/or fees. This section does not limit Lender's right under paragraph 3 above or elsewhere in this Agreement to refuse to make any Advance at any time for any reason or no reason or Lender's right under paragraph 6 above or elsewhere in this Agreement to demand payment at any time for any reason or no reason.

As part of Lender's credit review, Lender may determine a credit score (a "Credit Score") for the Line of Credit account that Lender reasonably believes to be statistically correlated with the probability of default, provided only that Lender shall use the same method for determining Credit Scores for all accounts in a group which Lender, in its sole discretion, reasonably determines to include Borrower's Line of Credit account. Lender may, in its sole discretion, elect to use a Credit Score provided by a third party vendor chosen by Lender.



20. **Rights of Lender.** No waiver of any of Lender's rights shall be effective unless the waiver is in writing and signed by Lender. No delay or omission by Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver on one occasion shall not prejudice Lender's right to require compliance with all provisions of this Agreement on any other occasion. All Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently.
21. **Change of Terms.** To the extent permitted by applicable law, Lender may change any of the terms of this Agreement (including without limitation any finance charge rates and any fees) at any time by giving Borrower at least 21 days written notice before the effective date of change. Except as the law may provide otherwise, changes of terms will apply to all Advances outstanding at the time the changes are effective, as well as to future Advances.
22. **Check Access.** Borrower must notify Lender immediately if any of Borrower's Convenience Checks are lost or stolen. Lender will not return canceled Convenience Checks to Borrower. Rather, Lender's Check Safekeeping Service will apply. Under Check Safekeeping, Lender will make an image of each canceled Convenience Check. The image will be retained by Lender for seven years. Borrower may obtain copies of canceled Convenience Checks upon request. If Lender cannot provide Borrower with a copy of any canceled Convenience Check or satisfy Borrower through other means, Borrower agrees that Lender will not be liable for more than the face amount of the Convenience Check or actual damages incurred by Borrower, whichever is less, provided, however, that in no event will Lender be liable for indirect, special or consequential damages. Lender will have no liability for failure to provide a copy of any canceled Convenience Check, which is requested by Borrower after seven years from the date that Convenience Check was presented to Lender. Borrower agrees to examine all periodic statements within thirty (30) days after they are mailed, delivered or otherwise made available to Borrower, and Borrower will notify Lender in writing within that period of any discrepancies therein. Borrower agrees that by mailing, delivering or otherwise making available periodic statements to Borrower and by retaining images of canceled Convenience Checks and providing copies of them to Borrower upon request as provided herein, Lender shall have no liability for and shall not be responsible for any discrepancy, including forged or missing signatures, alterations and counterfeiting, if such discrepancy is not reported to Lender within thirty (30) days after the periodic statement including that discrepancy was mailed, delivered or otherwise communicated to Borrower. Except as modified herein, the Uniform Commercial Code and other applicable laws and rules that apply to regular checks shall apply to the Convenience Checks.
23. **Use of Card.** Borrower agrees to the following terms concerning the use of the Card to access Advances.
- a. **Authorized Use.** Borrower agrees not to give the Card to anyone other than those authorized to request Advances under this Agreement. If Borrower gives the Card to someone else, Borrower will be responsible for any Advances obtained by that person through use of the Card.
 - b. **Lost or Stolen Card.** Borrower agrees to notify Lender immediately if the Card is lost or stolen, or if there is possible unauthorized use of the Card. Borrower will notify Lender at:

U.S. Bank National Association ND
P.O. Box 6353
Fargo, ND 58125-6353
Or by calling: 1-800-673-3555

If the Card is reported lost or stolen, Lender has the right to close the Line of Credit and request return of all access devices, including the Card, in which case the Line of Credit may be opened under a new account number and with new access devices. Borrower will not be liable in excess of \$50 for any loss, theft, or unauthorized charges incurred through use of the Card that occur after Borrower notifies Lender.
 - c. **Limits on Transfers.** For security reasons, Lender may place limitations on the number and amount of Advances Borrower may perform with the Card during a 24-hour period. Lender reserves the right to cancel or block Borrower's use of the Card for any reason, with or without prior notice. Reasons for suspension of Card access may include, for example, detection of suspicious or fraudulent activity, lack of use, misuse, or the return of the Card as undeliverable by the postal service.
 - d. **Currency Conversions.** Borrower may use the Card for retail purchases at foreign (outside the United States) merchants and for cash withdrawals from foreign ATMs that bear either the PLUS System or VISA logos. At an ATM that bears only the PLUS System logo (and no VISA logo), the charge will be converted into U.S. dollars at the exchange rate established, from time to time by the operator of that ATM PLUS System will then increase the dollar-converted amount by one percent. At a merchant or an ATM that bears the

- VISA logo (and no PLUS System logo), the charge will be converted into U.S. dollars at the exchange rate established, from time to time, under the applicable bylaws of VISA. At an ATM that bears both the VISA or PLUS System logos, the ATM operator will determine whether to send the transaction over the VISA or PLUS System network using such network's respective currency conversion rules. Borrower understands that the exchange rate in effect when the charge is processed may differ from the rate in effect on the date of the transaction or posting to Borrower's account. The amount of the transaction in dollars if processed through VISA (under its current bylaws and rules) will be the amount of the foreign currency times (i) a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which the rate may vary from the rate VISA itself receives, or (ii) the government-mandated rate in effect for the applicable central processing date; in each of the above instances plus two percent (2%) and/or one percent (1%) times the resulting dollar amount. The 2% fee will appear on Borrower's statement as "Currency Exchange Fee" and the 1% fee as "Foreign Transaction fee." The 1% "Foreign Transaction Fee" may be assessed on all transactions in which the merchant is located in a country other than the United States, even in transactions that do not require currency to be converted.
24. **Notices.** Except as otherwise provided herein, all notices required or permitted to be given by Borrower or Lender under this Agreement shall be deemed to have been given when personally delivered or three (3) business days after deposit with the U.S. Postal Service, postage pre-paid. Notices shall be addressed to Borrower at the address listed on Lender's records. Notices to Lender shall be addressed to Lender at such address as Lender from time to time designates in writing.
25. **Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of Borrower and Lender and their respective heirs, successors, and assigns. Notwithstanding the foregoing, Borrower may not assign or transfer its interests under this Agreement without the prior written consent of Lender.
26. **Joint Liability.** Each person who is a Borrower shall be jointly and severally liable for all Advances and other amounts owed to Lender under this Agreement. Each reference to Borrower in this Agreement shall be deemed to refer to each person who is a Borrower.
27. **Waiver; Consent.** Each Borrower waives diligence, demand, presentment for payment, notice of non-payment, protest, and notice of protest. Without notice to any Borrower and without diminishing or affecting Lender's rights or any Borrower's obligations hereunder, Lender may deal in any manner with any person who at any time is liable for, or provides any real or personal property collateral for, any indebtedness of Borrower to Lender, including the Advances. Without limiting the foregoing, each Borrower waives all defenses based on suretyship or impairment of collateral and agrees that Lender may, in its sole discretion: (a) make secured or unsecured Advances to Borrower and agree to any number of waivers, modifications, extensions and renewals of any length of such Advances, including the Advances; (b) impair, release (with or without substitution of new collateral) and fail to perfect a security interest in or to preserve the value of, any collateral provided by any person; and/or (c) sue, fail to sue, agree not to sue, release, and settle or compromise with any person.
28. **Costs and Attorney Fees.** To the fullest extent permitted by applicable law, Borrower agrees to pay Lender on demand all costs, expenses and attorney fees incurred by Lender in connection with the administration and enforcement of this Agreement and the Line of Credit, including, without limitation, all costs and attorney fees incurred in collecting any amounts due to Lender, whether incurred before or after commencement of litigation or at trial, on appeal or in any other proceeding.
29. **Governing Law.** Except to the extent Lender has greater rights or remedies under federal law, this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Dakota without regard to conflicts of law principles. Lender may at any time without notice to or consent of Borrower or any Guarantor transfer the Line of Credit to any other Lender, and the term "Lender" shall, from the time of such transfer, refer to that other lender to which the Line of Credit is transferred. In the case of such a transfer, this Agreement shall be governed by the law of a state where that other Lender is located as determined by that other Lender under federal law.
30. **Borrower and Guarantor Authorization.** Borrower and each Guarantor authorizes Lender to: (a) obtain credit and employment information about Borrower and Guarantor; (b) obtain credit reports and make inquiries Lender considers appropriate from time to time in connection with the Line of Credit; (c) make Lender's experience with Borrower's Line of Credit and Guarantor's Guaranty available to credit bureaus, other Borrowers, Lender's affiliates and persons who have or expect to have financial dealings with Borrower; (d) share collection information with Borrower's and Guarantor's other creditors; (e) disclose information as required by law; and (f) file such financing statements and other documents as may be required to perfect any security interest created



by this Agreement, including any separate security agreement given to secure this Agreement.

31. **References.** Reference to this Agreement shall mean this Agreement as amended, modified, supplemented or extended from time to time and any number of substitutions, renewals and replacements thereof.
32. **Image Processing.** Either Lender or Borrower may create a microfilm or optical disk or other electronic image of this Agreement or any part of this Agreement. They may then destroy the original as part of their normal business practices. A reproduction of this Agreement or part of this Agreement from the image will be the same as the original for all purposes.
33. **Security Interest in Deposit Accounts.** Borrower and each Guarantor grant Lender a security interest (the "Security Interest") in each of their respective Deposit Accounts held now or in the future at Lender or Lender's affiliates

(including, without limitation, U.S. Bank National Association) (the "Depositories") to secure all present and future obligations of Borrower or Guarantor or both to Lender under this Agreement. Without limiting the rights of Lender or any Depository under any separate agreement governing the Deposit Accounts, Lender may, at any time Borrower or any Guarantor owes any amount to Lender, apply any funds in any Deposit Account owned by that Borrower or Guarantor to any amounts owed to Lender under this Agreement. Borrower, each Guarantor, and each Depository agree that each Depository will comply with instructions originated by Lender directing disposition of the funds in the respective Deposit Accounts without further consent by either Borrower or Guarantor. By adopting the following symbols for purposes of authenticating this Agreement, the Depositories specifically agree to the control agreement terms set forth in this paragraph as well as acknowledge the terms of this Agreement.

IMPORTANT NOTICES

NOTICE: IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS AND CONDITIONS OF THE CASH FLOW MANAGER LINE PERMIT THE LENDER TO CHANGE THE TERMS OF THIS WRITTEN CONTRACT UPON WRITTEN NOTICE TO YOU. YOU (THE SIGNER) MAY CHANGE THE TERMS OF THIS WRITTEN CONTRACT ONLY BY ANOTHER WRITTEN AGREEMENT.

CELLULAR PHONE CONTACT POLICY: By providing U.S. Bank with a telephone number for a cellular phone or other wireless device, each Signer expressly consents to receiving communications - including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system - from U.S. Bank (including its affiliates and agents) at that number. This express consent applies to each such telephone number provided to U.S. Bank now or in the future, and permits such calls regardless of their purpose. Calls and messages may incur access fees from a cellular provider.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

MISSOURI NOTICE: ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT. TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS AGREEMENT, ANY GUARANTY AND ANY OTHER RELATED DOCUMENT WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

WASHINGTON NOTICE: UNDER WASHINGTON LAW, ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE.

NEBRASKA NOTICE: A CREDIT AGREEMENT MUST BE IN WRITING TO BE ENFORCEABLE UNDER NEBRASKA LAW. TO PROTECT BORROWER AND LENDER FROM MISUNDERSTANDINGS OR DISAPPOINTMENTS, ANY CONTRACT, PROMISE, UNDERTAKING OR OFFER TO FORBEAR REPAYMENT OF MONEY OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION IN CONNECTION WITH THIS LOAN OF MONEY OR GRANT OR EXTENSION OF CREDIT, OR ANY AMENDMENT OF, CANCELLATION OF, WAIVER OF, OR SUBSTITUTION FOR ANY OR ALL OF THE TERMS OR PROVISIONS OF ANY INSTRUMENT OR DOCUMENT EXECUTED IN CONNECTION WITH THIS LOAN OR MONEY OR GRANT OR EXTENSION OF CREDIT MUST BE IN WRITING TO BE EFFECTIVE.

OREGON NOTICE: UNDER OREGON LAW, MOST AGREEMENTS, PROMISES, AND COMMITMENTS MADE BY LENDERS AFTER OCTOBER 3, 1989, CONCERNING LOANS AND OTHER CREDIT EXTENSIONS THAT ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY THE BORROWER'S RESIDENCE, MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE LENDER TO BE ENFORCEABLE.

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your personal credit report.



PERSONAL GUARANTY

Guaranty. For value received, and to induce the Bank to extend or continue credit to Borrower, the undersigned GUARANTOR ("Guarantor," whether one or more) HEREBY UNCONDITIONALLY AND IRREVOCABLY GUARANTEES PAYMENT OF AND PROMISES TO PAY TO THE BANK THE OBLIGATIONS, whether or not the Obligations are valid and enforceable against Borrower, whenever they become due, whether on demand, at maturity or by reason of acceleration, or at the time the Guarantor shall die or become the subject of any bankruptcy, insolvency or incompetency proceeding. In addition to the Obligations under the above Agreement, for purposes of this Guaranty, the term "Obligations" shall also include all interest, costs and attorneys fees (including fees of inside counsel) incurred by the Bank in attempting to realize upon any collateral securing this Guaranty, or to enforce this Guaranty. The Guarantor agrees that the Bank does not have to take any steps whatsoever to realize upon the Collateral, or proceed against Borrower or any other party before or after proceeding against the Guarantor, and the Guarantor waives any claim of marshalling of assets. The Guarantor also agrees the Bank may renew, amend, modify or extend any existing or future Obligations (including making additional advances, or changing the amount, time or manner of payment of any Obligations), waive compliance with any provisions or documents evidencing any of the Obligations or settle, release, compromise or subordinate any Obligation, any Collateral, any collateral securing this Guaranty, or the liability of any other party responsible for payment of the Obligations. The Guarantor expressly waives all right of setoff and counterclaims, as well as diligence in collection or prosecution, presentment, demand of payment or performance, protest, notice of dishonor, nonpayment or nonperformance of any Obligation. The Guarantor warrants and represents to the Bank that the Guarantor has and will examine the financial condition of Borrower as the Guarantor deems necessary; and specifically relieves the Bank of any duty or responsibility to advise the Guarantor of any change in Borrower's financial condition. The Guarantor grants to the Bank a security interest in all Guarantor's depository account balances,

cash and any other property now or hereafter in the possession of or under the control of the Bank to secure payment under this Guaranty and grants the Bank a contractual right to setoff, without notice or demand, amounts due hereunder against all depository account balances, cash and other property now or hereafter in the possession of the Bank. If this Guaranty has been signed by more than one Guarantor, the obligations of each Guarantor shall be joint and several with all other Guarantors.

Kentucky Guarantors. The provisions of this paragraph apply to any Guarantor who resides in the State of Kentucky. Notwithstanding the provisions of this Guaranty, the maximum aggregate liability of the Guarantor under this Guaranty shall not exceed \$ 50,000.00 ("Guaranteed Principal"); plus any and all interest accruing on the Guaranteed Principal and all fees, charges and costs of collecting the Guaranteed Principal or otherwise enforcing the Bank's rights under this Guaranty, including without limitation, reasonable attorneys' fees and expenses (all of the foregoing hereafter referred to as "Guaranteed Obligations"). This Guaranty shall remain in full force and effect until, and shall terminate (as used in Kentucky Revised Statutes §371.065, as amended) on the earlier of (a) the day following the date of payment in full upon maturity of the Guaranteed Obligations; or (b) N/A, 20 ; provided, however, that the termination of this Guaranty on such termination date shall not affect in any manner the liability of the Guarantor with respect to (1) the Guaranteed Obligations which are created or incurred prior to such termination date ("Prior Obligations"), or (2) extension or renewals of, interest accruing on, or fees, costs or expenses incurred with respect to, such Prior Obligations prior to, on or after such termination date.

Third Party Pledge. For value received, and to induce Bank to extend credit or other financial accommodations now or in the future to Borrower, the Guarantor agrees to pledge any interest Guarantor has or may acquire in the Collateral to secure the Obligations.

The Guarantor and the Bank hereby jointly and severally waive any and all rights to trial by jury in any action or proceeding relating to this Guaranty and the Obligations hereunder; and each represent to the other that this waiver is knowingly, willingly and voluntarily given.

COMMUNITY PROPERTY CONSENT	
<i>(Applies to guarantors residing in community property states, such as Arizona, California, Idaho, Nevada, Washington, and Wisconsin)</i>	
PURPOSE AND CONSENT. Each Guarantor who is married represents that this obligation is incurred in the interest of his or her marriage or family. The spouse of each Guarantor who has not signed above as a Guarantor consents to the Guarantor entering into this Guaranty, but said spouse of each Guarantor is not a party to the above Guaranty.	
Signatures Required	
Guarantor _____ Date	Guarantor's Spouse _____ Date
Guarantor _____ Date	Guarantor's Spouse _____ Date
Guarantor _____ Date	Guarantor's Spouse _____ Date
Guarantor _____ Date	Guarantor's Spouse _____ Date
Guarantor _____ Date	Guarantor's Spouse _____ Date



SIGNATURES

By signing this Agreement, each person ("Signer"), individually and on behalf of Borrower, requests the indicated services or credit products from Lender. Each Signer is authorized to sign on behalf of Borrower and will provide business resolutions to Lender upon request. Each Signer has read and agrees to all applicable provisions, including the personal guaranty and grant of a security interest in deposit accounts. Each Signer authorizes Lender to (1) obtain credit records and other credit and employment information about the Signers personally and the Borrower (now and in the future), including from state and federal tax authorities, for deciding whether to approve the requested credit and for later periodic account review and collection purposes, and (2) furnish information about the Borrower and the Guarantors to credit bureaus, other Signers, and other persons who claim to be authorized by Borrower or the Guarantors to receive such information. Borrower and each Signer guaranty that all information in this Agreement is correct and agree to notify Lender if any information changes. All loans shall be used for business purposes only.

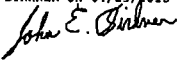
BY SIGNING BELOW, EACH SIGNER AGREES TO BE PERSONALLY RESPONSIBLE FOR ANY CREDIT GRANTED PURSUANT TO THIS AGREEMENT. This Agreement constitutes a Guaranty under which each individual signing is a Guarantor, and individually guarantees the payment of all present and future obligations of Borrower to Lender in accordance with the provisions in this Agreement.

IMPORTANT NOTICE: EACH BUSINESS OWNER MUST VERIFY THE INFORMATION BELOW AND SIGN ON BEHALF OF THE BUSINESS AND AS A PERSONAL GUARANTOR.

Personal Guarantor(s) Information:

JOHN E BIRKNER
 814 PLEASANT RIDGE AVE
 COLUMBUS, OH 432095415
 Percent of Ownership: 0

E-signed by JOHN E BIRKNER on 04/29/2013 at 12:34 PM Central Daylight Time



Signature of Business Owner & Guarantor	Date	JOHN E BIRKNER Printed Name	PRESI Title
Signature of Business Owner & Guarantor	Date	Printed Name	Title
Signature of Business Owner & Guarantor	Date	Printed Name	Title
Signature of Business Owner & Guarantor	Date	Printed Name	Title
Signature of Business Owner & Guarantor	Date	Printed Name	Title

/s/ U.S. Bank National Association ND, for itself and its successors and assigns
 /s/ U.S. Bank National Association, for itself and its successors and assigns

077-1105 (04/08R) ©2007 U.S. Bancorp U.S. Bank Member FDIC



U.S. BANK CASH FLOW MANAGER SECURITY AGREEMENT

This Security Agreement ("Agreement") is made and entered into by the undersigned (the "Debtor" whether one or more) in favor of U.S. Bank National Association ND ("Lender") as of the date set forth on the last page of this Agreement.

1. Security Interest. Debtor hereby grants a security interest in and collaterally assigns the Collateral (defined below) to Lender to secure all of Debtor's Obligations (defined below) to Lender. "Collateral" means all of the following whether now owned or existing or hereafter acquired by Debtor (or by Debtor with spouse), wherever located: all accounts; inventory; equipment; fixtures; instruments; documents; chattel paper; investment property; deposit accounts; letter of credit rights; and all accessions to, replacements of and substitutions for and all supporting obligations, products and proceeds of any of the foregoing (in whatever form); and all books, records and data relating to any of the foregoing (in whatever form), together with Debtor's right title and interest in and to all software required to utilize, create, maintain and process such records or data on electronic media. Unless otherwise defined, the terms in this Agreement shall have the meanings set forth in the Uniform Commercial Code as adopted in North Dakota and as amended from time to time. "Obligations" means all Debtor's debts (except for consumer debt), liabilities, obligations, covenants, warranties, and duties to Lender and/or its affiliates (including, without limitation, any credit card debt, but specifically excluding any type of consumer debt), whether now or hereafter existing or incurred, liquidated or unliquidated, absolute or contingent, joint, several or joint and several, including, without limitation, all debts and obligations of Debtor to Lender under any agreement, instrument or document, whether now or hereafter existing and whether or not related in type or time to the financing provided at the time of this Agreement, including, without limitation, any promissory note, loan or credit agreement, security or pledge agreement, assignment, lease, mortgage, deed of trust, guaranty, letter of credit reimbursement agreement deposit account agreement and credit card agreement (together and individually, the "Credit Documents").

2. Warranties and Covenants. In addition to all other warranties and covenants of Debtor under any Credit Document and while any part of the credit granted Debtor under any Credit Document is available or any Obligations are unpaid or outstanding, Debtor warrants and agrees:

(a) Debtor's Name/Location; Notice of Changes. The name set forth with Debtor's signature is Debtor's full legal name and, except as disclosed to Lender in writing prior to the date hereof, Debtor has used no other name during the past five (5) years. The address appearing on the application for credit is Debtor's chief executive office (or primary residence if a sole proprietor) and, except as disclosed to Lender in writing prior to the date hereof, neither Debtor's chief executive office (or primary residence) nor any Collateral is or has been located in any other state at anytime during the past six (6) months. Debtor shall not change its name or organizational status, use any trade name or change the location of its chief executive office (or primary residence) without prior written notice to Lender. If Debtor is a registered organization, Debtor's state of organization has remained the same during the past year and Debtor will not organize under another state without prior written notice to Lender.

(b) Status/Maintenance of Collateral; Restrictions on Liens/Dispositions. Debtor is the sole owner of the Collateral free of all liens, claims, other encumbrances and security interests except as permitted in writing by Lender. Except for items of insignificant value or as otherwise disclosed in writing to Lender: Collateral constituting inventory, equipment and fixtures is in good condition and is either currently saleable or usable; and Collateral constituting accounts, instruments, chattel paper and other third-party obligations is fully enforceable in accordance with its terms and not subject to dispute, setoff, credit allowance or adjustment, except for discounts for prompt payment. Debtor shall: (i) maintain the Collateral in good condition and repair; (ii) not permit waste, removal or loss of identity of the Collateral; (iii) keep the Collateral free from all liens, claims, encumbrances and security interests (except as permitted in writing by Lender); (iv) defend the Collateral against all claims and legal proceedings by persons other than Lender; (v) pay and discharge when due all taxes, levies and other charges or fees upon the Collateral except for payment of taxes contested by Debtor in good faith by appropriate proceedings so long as no levy or lien has been imposed upon the Collateral; (vi) not lease, sell or transfer the Collateral to any party except in the ordinary course of business; (vii) not permit the Collateral to be used in violation of any applicable law, regulation or policy of insurance; (viii) take any action requested by Lender to preserve the Collateral and to establish the value or priority of, perfect or continue the perfection of or enforce Lender's interest in the Collateral and pay all costs and expenses related thereto; (ix) not modify, discount, extend, renew or cancel any Collateral, except for discounts for prompt payment; (x) promptly mark chattel paper to indicate conspicuously Lender's security interest therein; (xi) upon request, deliver originals of all chattel paper, instruments and documents to Lender; (xii) notify Lender if the obligor on any account is the United States or any of its departments, agencies or instrumentalities and execute any writings required by Lender to comply with the federal Assignment of Claims Act. Sales and/or leases to Debtor's affiliates shall be for fair market value, cash on delivery, with the proceeds remitted to Lender.

(c) Collateral Inspections; Records; Statements. Lender may examine the Collateral and Debtor's records pertaining to it at reasonable times, make copies of such records and verify the Collateral at any time and in any way all at Debtor's expense and with Debtor's assistance. Debtor shall keep accurate and complete records respecting the Collateral in form and with such detail as is acceptable to Lender. At such times as Lender may require, Debtor shall furnish to Lender any records/information Lender might require, including, without limitation, a statement certified by Debtor, in form and containing such information as Lender may prescribe, showing the current status and value of the Collateral.

(d) Environmental Matters. Except as disclosed in writing to Lender, Debtor is not now and has not at any time been in violation of any federal, state or local environmental laws, regulations, ordinances or requirements ("Environmental Laws") relating to any hazardous or toxic wastes, chemicals or other substances ("Hazardous Substances"). There are not now, nor to Debtor's knowledge after reasonable investigation have there ever been, any Hazardous Substances created, stored or disposed of on, under or at any real estate owned or occupied by Debtor prior to or during the periods that Debtor owned or occupied such real estate. Debtor currently complies with and will continue to timely comply with all applicable Environmental Laws now existing or hereafter enacted or amended; and will provide Lender, immediately upon receipt, copies of any correspondence, notice, complaint, order or other document asserting or alleging any circumstance or condition which requires or may require a financial contribution, remedial action or other response by Debtor, or which seeks damages for an alleged violation of Environmental Laws.

(e) Insurance. Debtor will maintain insurance in such amounts, covering such risks and with such insurers as is customary for similarly situated businesses and as is satisfactory to Lender, including comprehensive casualty insurance for fire and other risks, public liability insurance and workers' compensation insurance; and will designate Lender as loss payee with a "Lender's Loss Payable" endorsement on any casualty policies and take such other action as Lender may reasonably request to ensure that Lender will receive (subject to no other interests) the insurance proceeds of the Collateral. While any Obligations remain unpaid, Debtor hereby irrevocably directs any insurer, to pay Lender all insurance proceeds. Debtor authorizes Lender to endorse Debtor's name to effect the same, to make, adjust or settle, in Debtor's name, any claim relating to the Collateral and, at Lender's option, to apply such proceeds to the Obligations or to restoration of the Collateral.

3. Lender Rights. In addition to all other rights available to Lender under the Credit Documents or applicable law, Lender shall have the following rights:

(a) Delivery of Collateral; Proceeds. At any time, Lender may (i) require that all proceeds of Collateral received by Debtor be held by Debtor upon an express trust for Lender, not be commingled with any other funds or property of Debtor and turned over to Lender in precisely the form received (but endorsed by Debtor, if necessary for collection) not later than the business day following the day of their receipt and (ii) notify any bailee possessing Collateral to turn over the Collateral to Lender. All proceeds of Collateral received by Lender shall be applied against the Obligations in such order and at such times as Lender shall determine.

(b) Authority to Perform for Debtor. Debtor presently appoints any officer of Lender as Debtor's attorney-in-fact (coupled with an interest and irrevocable) to do any of the following upon default (notwithstanding any notice requirements or grace/cure periods): (i) to file, endorse or place the name of Debtor on any invoice or document of title relating to accounts, drafts against customers, notes, acceptances, assignments of government contracts, instruments, checks, drafts, money orders, insurance claims or payments or other documents relating to the Collateral; (ii) to receive, open and dispose of all mail addressed to Debtor and to notify the postal authorities to change the address for delivery of mail addressed to Debtor to an address designated by Lender; (iii) to do all such other acts and things necessary to carry out Debtor's duties under this Agreement and



the other Credit Documents; and (iv) to perfect, protect and/or realize upon Lender's interest in the Collateral. All acts by Lender are hereby ratified and approved, and Lender shall not be liable for any acts of commission or omission, nor for any errors of judgment or mistakes of fact or law.

(c) Collateral Preservation. With respect to any Collateral in Lender's physical possession, Debtor expressly acknowledges that Lender has no duty to: (i) insure the Collateral against hazards; (ii) ensure that the Collateral will not cause damage to property or injury to third parties; (iii) protect the Collateral from seizure, theft or conversion by third parties; (iv) give Debtor any notices received by Lender regarding the Collateral; (v) perfect or continue perfection of any security interest in favor of Debtor; (vi) perform any services, complete any work-in-process or take any other action in connection with the management or maintenance of the Collateral; (vii) sue or otherwise effect collection upon any accounts or other rights to payment even if Lender shall have made a demand for payment upon individual obligors; or (viii) take any action to preserve rights in instruments or chattel paper against prior third parties. Notwithstanding any failure by Lender to use reasonable care in preserving the Collateral, Debtor agrees that Lender shall not be liable for consequential or special damages arising therefrom.

(d) Expenditures by Lender. If Debtor fails to discharge or pay when due any amounts Debtor is required to pay or discharge under this Agreement or if Debtor fails to obtain or maintain any required insurance, Lender may (but is not obligated to) discharge or pay all taxes, liens, encumbrances and other claims at any time levied or placed on the Collateral and pay all costs for insuring, maintaining and preserving the Collateral. Any insurance obtained by Lender may, at Lender's option, be "single interest insurance" covering only Lender's interest. All such expenditures paid by Lender shall be part of the Obligations and shall be payable on demand, together with interest at the highest rate applicable to the Obligations from the date paid by Lender to the date of repayment by Debtor. Any action by Lender hereunder shall not be construed as waiving or curing any default so as to bar Lender from exercising any remedy it would otherwise have.

(e) Request for Non-termination of UCC Filing. Pursuant to North Dakota Century Code Section 49-09-84, Debtor hereby requests Lender to continue all financing statements of record notwithstanding that at any time there may be no outstanding Obligations and no written commitment between Lender and Debtor to made advances, incur obligations or otherwise give value. Lender is not required to terminate any financing statement unless and until Debtor makes written demand for termination after there is no outstanding Obligation and no commitment to make advances, incur obligations or otherwise give value. Lender shall have 15 days after receipt of such demand to file the termination.

4. Default; Remedies. Upon the occurrence of a default under this Agreement or any other Credit Document, in addition to all of the rights and remedies for default available to Lender under the Credit Documents or under applicable law, Lender shall have the following rights and remedies. The rights and remedies specified herein are cumulative and are not exclusive of any rights or remedies otherwise available to Lender.

(a) Collection/Possession of Collateral; Commercial Reasonableness. Lender may at any time and Debtor shall, upon request of Lender, notify account debtors or other persons obligated on Collateral to make payment directly to Lender; and Lender may enforce collection of, sell, settle, compromise, extend or renew such obligations and supporting obligations all without notice to or consent of Debtor. Such notice to account debtors or other obligors shall not be deemed a disposition of the Collateral. Lender may require Debtor to assemble the Collateral and to make it available to Lender at any convenient place designated by Lender. Lender shall have the right to take immediate possession of any or all of the Collateral and Debtor hereby irrevocably authorizes Lender to enter any of the premises where Collateral is located, and to store, repair, maintain, assemble, manufacture, render unusable, sell, lease, license or dispose of (by public sale or otherwise) the same on said premises all without charge or rent to Lender. Lender is hereby granted an irrevocable license to use, without charge, Debtor's equipment, inventory, labels, patents, copyrights, franchises, names, trade secrets, trade names, trademarks and advertising matter and other property of a similar nature; and Debtor's rights under all licenses and franchise agreements shall inure to Lender's benefit. If Lender, in its sole discretion, takes possession or control of any Collateral, Debtor agrees that as a standard for determining commercial reasonableness, Lender need not liquidate, collect, sell or otherwise dispose of any of the Collateral if Lender believes, in good faith, that disposition of the Collateral would not be commercially reasonable, would subject Lender to third-party claims or liability, that other potential purchasers could be attracted or that a better price could be obtained if Lender held the Collateral for up to one year; and Lender shall not then be deemed to have retained the Collateral in satisfaction of the Obligations. Lender may sell Collateral without giving any warranties and may specifically disclaim any warranties of title or the like. Furthermore, Lender may sell the Collateral on credit (and reduce the Obligations only when payment is received from the buyer), at wholesale and/or with or without an agent or broker; and Lender need not complete, process or repair the Collateral prior to disposition. Lender has no obligation to attempt to satisfy the Obligations by collecting the obligations from any third parties and Lender may release, modify or waive any collateral provided by any third party to secure any of the Obligations, all without affecting Lender's rights against Debtor. Debtor waives any obligation on the part of Lender to marshal any assets of Debtor.

(b) Waiver by Lender. Lender may permit Debtor to attempt to remedy any default without waiving its rights and remedies hereunder, and Lender may waive any default without waiving any other subsequent or prior default by Debtor. Furthermore, delay on the part of Lender in exercising any right, power or privilege hereunder or at law shall not operate as a waiver thereof, nor shall any single or partial exercise of such right, power or privilege preclude any other exercise thereof or the exercise of any other right, power or privilege. No waiver or suspension shall be deemed to have occurred unless Lender has expressly agreed in writing specifying such waiver or suspension.

5. Joint and Several Liability. If this Agreement is signed by more than one person as Debtor, the term "Debtor" shall refer to each of them separately and to both or all of them jointly; all such persons shall be bound both severally and jointly with the other(s); and the Obligations shall include all debts, liabilities and obligations owed to Lender by any Debtor solely or by both or several or all Debtors jointly or jointly and severally, and all property described in Section 1 shall be included as part of the Collateral, whether it is owned jointly by both or all Debtors or is owned in whole or in part by one (or more) of them.

6. Filing Fees. Debtor agrees to pay all costs of perfecting Lender's security interest under this Agreement, including the costs of filing a UCC-1 financing statement and any necessary continuations, amendments, and terminations. These costs will be added to the obligations secured under this Agreement.

Organization Debtor Name
BROOKWOOD ACADEMY INC

E-signed by JOHN E BIRKNER on 04/29/2013 at 12:34 PM Central Daylight Time

By: JOHN E BIRKNER, PRESI

Date

By:

Date

By:

Date

By:

Date

By:

Date



EXHIBIT C

File Number: OH00167132332
 Date Filed: 05/14/2013 10:39 AM

Jon Husted
 Ohio Secretary of State

UCC FINANCING STATEMENT

FILER INFORMATION

CONTACT INFORMATION FOR FILER

CONTACT EMAIL collateral.lienperfection@usbank.com	CONTACT NAME US BANK NATIONAL ASSOCIATION ND	CONTACT PHONE 800-658-0886	CONTACT FAX 920-426-7548
---	---	-------------------------------	-----------------------------

SEND ACKNOWLEDGMENT TO:

PACKET NO 8153	CLIENT ACCOUNT # 6991			
ORGANIZATION NAME US BANK NATIONAL ASSOCIATION ND				
MAILING ADDRESS PO BOX 3427	CITY OSHKOSH	STAT WI	POSTAL CODE 54903	COUNTRY US

FILE RECORD

FILING TYPE Initial			
FILERS UNIQUE	ALTERNATE NAME DESIGNATION DEBTOR/SECURED PARTY	ALTERNATE FILING TYPE UCC	
ADDITIONAL INFORMATION		MATURITY DATE	

DEBTOR DATA

ORGANIZATION NAME BROOKWOOD ACADEMY INC				
TYPE OF ORGANIZATION CORPORATION		JURISDICTION OF ORGANIZATION OH		ORGANIZATION ID# (if NONE
MAILING ADDRESS 2685 LIVINGSTON AVE		CITY COLUMBUS	STATE OH	POSTAL CODE 43209
COUNTRY US	ALTERNATE CAPACITY OF DEBTOR NONE			

DEBTOR DATA

INDIVIDUAL'S LAST NAME BIRKNER	FIRST NAME JOHN	MIDDLE NAME E	SUFFIX	
MAILING ADDRESS 2685 LIVINGSTON AVE	CITY COLUMBUS	STATE OH	POSTAL 43209	
COUNTRY US	ALTERNATE CAPACITY OF DEBTOR NONE			

SECURED PARTY DATA

ORGANIZATION NAME U.S. BANK NATIONAL ASSOCIATION ND				
MAILING ADDRESS PO BOX 3427	CITY OSHKOSH	STATE WI	POSTAL CODE 54903	COUNTRY US

This FINANCING STATEMENT covers the following Collateral:

All of the following property now owned or existing or hereafter acquired by the Debtor (or by the Debtor with spouse), wherever located: all accounts; inventory; equipment; fixtures; instruments; documents; chattel paper; investment property; deposit accounts; letter of credit rights and all accessions to, replacements of and substitutions for and all supporting obligations, products and proceeds of any of the foregoing (in whatever form); and all books, records and data relating to any of the foregoing (in whatever form); together with Debtor's right title and interest in and to all software required to utilize, create, maintain and process such records or data on electronic media. Other than the sale or lease of inventory in the ordinary course of Debtor's business, the purchase by or pledge to another person of any of described collateral violates the rights of the Secured Party. Any receipts of proceeds of the collateral by a subordinate secured party violated the rights of the Secured Party.

EXHIBIT D

Amendment - Collateral Restate

File Number: 20151000093
 Date Filed: 04/10/2015 09:19 AM
 Jon Husted
 Ohio Secretary of State

UCC FINANCING STATEMENT AMENDMENT

NAME & PHONE OF CONTACT AT FILER			
US BANK NATIONAL ASSOCIATION	PHONE	800-658-0886	FAX 866-804-8764
EMAIL CONTACT AT FILER			
collateral.lienperfection@usbank.com			
SEND ACKNOWLEDGMENT TO: (Name and Address)			
US BANK NATIONAL ASSOCIATION			
PO BOX 3427			
OSHKOSH, WI 54903			
US			

INITIAL FINANCING STATEMENT FILE NUMBER OH00167132332 This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

ASSIGNMENT (full or partial):

CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

PARTY INFORMATION CHANGE:

Check one of these two boxes

and Check one of these three boxes to:

This Change affects Debtor or Secured Party of record CHANGE name and/or address: ADD name DELETE name

CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name

ORGANIZATION'S NAME

INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
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COLLATERAL CHANGE: Also check one of these four boxes to: ADD collateral DELETE collateral RESTATE covered collateral ASSIGN collateral

Indicate Collateral

All of the following property now owned or existing or hereafter acquired by the Debtor (or by the Debtor with spouse), wherever located: all accounts; inventory; equipment; fixtures; instruments; documents; chattel paper; investment property; deposit accounts; letter of credit rights and all accessions to, replacements of and substitutions for and all supporting obligations, products and proceeds of any of the foregoing (in whatever form); and all books, records and data relating to any of the foregoing (in whatever form); together with Debtor's right title and interest in and to all software required to utilize, create, maintain and process such records or data on electronic media. Other than the sale or lease of inventory in the ordinary course of Debtor's business, the purchase by or pledge to another person of any of described collateral violates the rights of the Secured Party. Any receipts of proceeds of the collateral by a subordinate secured party violated the rights of the Secured Party.

Above collateral does not include the following:

All of the right, title and interest of the Debtor to be paid by the Ohio Department of Education in respect of Brookwood Academy Inc. relating to the 2014 - 2015 fiscal year for the month of JUNE 2015, with respect to: (i) the opportunity grant portion of such Debtor's total general state aid program entitlement, (ii) the targeted assistance portion of such Debtor's total general state aid program entitlement, (iii) the special education weighted funding portion of such Debtor's total general state aid program entitlement, (iv) the kindergarten through third grade literacy funding portion of such Debtor's total general state aid program entitlement, (v) the economically disadvantaged funding portion of such Debtor's total general state aid program entitlement, (vi) the limited English proficiency weighted funding portion of such Debtor's total general state aid program entitlement, (vii) the career technical education weighted funding portion of such Debtor's total general state aid program entitlement, (viii) the transportation aid portion of such Debtor's total general state aid program entitlement, (ix) all facility aid from the State of Ohio (whether or not such aid forms a portion of such Debtor's total general state aid program entitlement), and (x) the school lunch, school breakfast and school milk program portion of such Debtor's total general state aid program entitlement, as such payments have been or may in the future be deferred, delayed, accelerated or otherwise rescheduled from time to time, in whole or in part, and all proceeds thereof.

NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (name of Assignor, if this is an Assignment) if this is an Amendment authorized by a DEBTOR, check here and provide name of authorizing Debtor.

ORGANIZATION'S NAME
U.S. BANK, N.A.>

INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
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OPTIONAL FILER REFERENCE DATA:
*****8153 DWH

This Financing Statement Amendment covers timber to be cut covers as-extracted collateral is filed as a fixture filing

Name and address of a RECORD OWNER of real estate (if Debtor does not have a record interest):

Description of Real Estate

MICELLANEOUS:

EXHIBIT E

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re: : **Case No. 17-55517**
: **Chapter 11**
Brookwood Academy Inc. : **Judge Charles M. Caldwell**
: **Debtor.**

**INTERIM ORDER AUTHORIZING LIMITED USE OF CASH COLLATERAL
AND GRANTING ADEQUATE PROTECTION [Doc. Nos. ___ and ___]**

This matter having come before the Court, upon Motion of Brookwood Academy, Inc., the above-captioned debtor and debtor in possession (“Debtor” or “Brookwood Academy”), for an order, pursuant to 11 U.S.C. §§ 361, 362, 363, 507(b) and Federal Rule of Bankruptcy Procedure 2002, 4001 and 9014 (“Bankruptcy Rule”), initially on an interim basis, and eventually on a final basis, authorizing use of cash collateral (the “Motion”) [Docket No. ___], and after notice and an expedited preliminary hearing held _____, 2017; and the Court having reviewed and considered the Motion, together with all exhibits filed in support thereof, and having completed the preliminary hearing in accordance with § 363 of the Code, Bankruptcy

Rule 4001 and LBR 4001-2(b), and for good cause shown, hereby finds that Debtor has asserted the following:

A. Debtor filed its voluntary petition for relief under chapter 11 of title 11 of the United States Code (“Bankruptcy Code”) on August 28, 2017 (“Petition Date”). Debtor is conducting its business and is operating as a debtor in possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

B. Debtor is an Ohio 501(C)(3) non-profit corporation doing business in Central Ohio. The Debtor is a public charter school that opened its doors for the 2012-2013 school year. The focus of the Debtor is to service students in grades 4 through 12 who have emotional and/or behavioral issues that adversely affect their educational performance. These students suffer from a variety of mental health issues including autism, traumatic brain injury, major depression, mood disorders and ADHD, and represent a full range of cognitive abilities.

D. Prior to the Petition Date, Debtor’s primary lender was U.S. Bank National Association (“U.S. Bank”) who may have, or whom may claim, a security interest in cash collateral by virtue of the Cash Flow Manager Line of Credit Agreement and Terms with Guaranty, the U.S. Bank Cash Flow Manager Security Agreement and UCC Financing Statements identified in paragraph 16 of the Motion, copies of which were attached thereto, respectively, as Exhibits A through D.

E. Debtor has filed this chapter 11 proceeding in order to restructure its financial affairs, maximize the value of its assets, and to provide a substantive and procedural mechanism for the realization of that value for the benefit of all parties in interest.

F. As set forth in the Certificate of Service [Doc. No. ___], Debtor served the Notice of Expedited Hearings on First Day Motions of [Doc. No. ___] via overnight mail on _____,

2017 on (a) the office of the United States Trustee; (b) Debtor's 20 largest unsecured creditors as identified in its chapter 11 petition; and (c) U.S. Bank or its counsel. Such notice is appropriate and adequate under the circumstances set forth herein and presented to this Court, and complies with the provisions of § 363 of the Code and Bankruptcy Rules 2002, 4001 and 9014, and all other applicable law.

G. Nothing contained herein shall be construed to preclude Debtor or any other party in interest from hereafter objecting to the claims of U.S. Bank, or to the validity, extent, or priority of the liens, if any, of U.S. Bank, upon any of Debtor's property, including Cash Collateral.

H. Debtor has represented that its intended result in this proceeding is to restructure its financial affairs, maximize the value of its assets, and to provide a substantive and procedural mechanism for the realization of that value for the benefit of all parties in interest. Debtor contends that if it is to have any possibility of successfully achieving its intended results in this proceeding, it must continue its day-to-day operations, keeping its management and employees on board and continuing to the extent possible "business as usual." For these purposes, Debtor has indicated an immediate need to use its present and future cash collateral, as defined and described in the Motion, to meet its payroll, pay its taxes, pay its utilities, purchase necessary supplies and services, replace its inventory, and perform other necessary functions in the regular course of its business.

I. Debtor has represented that the immediate use of cash collateral is necessary to continue its operations in the ordinary course of business, and that it has demonstrated that the interests of U.S. Bank, if any, in cash collateral, can be adequately protected during the limited period of use as permitted hereby.

Additionally, the Court finds that an immediate need exists for Debtor to use its cash collateral to assure the orderly administration of its estate and that without such funds Debtor's estate will be irreparably harmed. The Court further finds that notice of the requested relief sought at the Interim Hearing was sufficient and adequate and that no further notice of, or hearing on, the relief sought in the Interim Hearing and the limited relief granted herein is necessary or required. Accordingly, it is hereby

ORDERED, ADJUDGED AND DECREED that the Motion is granted on an interim basis on the terms set forth herein. Debtor is authorized to use cash collateral during the Interim Period and until the expiration of this Order pursuant to § 363 of the Bankruptcy Code on the terms and conditions which follow:

1. Pursuant to § 363 of the Bankruptcy Code, cash collateral shall not be used, leased, sold or expended, directly or indirectly, by or on behalf of Debtor except as provided herein.

2. Cash collateral shall be permitted to be used by or on behalf of Debtor during the pendency of this Order only on the following terms and conditions:

- a. Debtor will maintain its bank accounts at a federally insured depository institution.
- b. Debtor shall, upon receipt of cash collateral generated after the Petition Date, take or cause to be taken any and all action necessary to cause all of said cash collateral to be immediately deposited into a debtor in possession account.
- c. Subject to all other terms and conditions specified herein, all bills, invoices and statements for necessary expenses incurred in connection

with the operation of Debtor's business shall be paid when due from the funds deposited or to be deposited in any debtor in possession account. For purposes of this Order, such necessary operating expenses of Debtor are defined as those expenditures made to meet its payroll, pay its taxes, make lease payments related to its operations, purchase necessary supplies and service, and perform other necessary functions in the regular course of its business, all as more fully identified in the Budget attached hereto.

- d. Debtor shall, for each month during the pendency of this proceeding, file with the Court such financial reports as may be required by the Office of the United States Trustee at the time required under the rules of the Office of the U. S. Trustee (i.e., by the 20th day of the following month).

3. Notwithstanding the provisions of Bankruptcy Code § 552(a), and in addition to any security interests that may be granted by Bankruptcy Code § 552(b), to the extent that U.S. Bank establishes valid and subsisting interests in cash collateral, any cash collateral used by or on behalf of Debtor shall be a debt of Debtor, payable to U.S. Bank, as its interest may appear. Further, to the extent of the value of cash collateral subject to any such respective established valid and subsisting interests of U.S. Bank:

- a. the liens, if any, of U.S. Bank in cash collateral are hereby continued and re-granted and U.S. Bank shall not be required to take any other action to perfect the lien(s) re-granted to it hereunder; and
- b. U.S. Bank, as its interest may appear, is hereby granted liens and security interests in Debtor's accounts receivable, general intangibles and other revenues generated by the operation of Debtor's business subsequent to

the Petition Date, the proceeds thereof, and all collections thereof, to secure any reduction in the value of the cash collateral subject to any such respective established valid and subsisting interest of U.S. Bank at the Petition Date, in the same priority in such assets comprising cash collateral as such interest may have existed on the Petition Date.

4. The liens granted hereby shall relate back to the Petition Date, and shall attach to any and all cash collateral of Debtor, whether generated prior to the Petition Date or thereafter, deposited or to be deposited in a debtor in possession account.

5. In addition to the re-granting of liens in favor of U.S. Bank, the Debtor shall make interest-only payments to U.S. Bank as an additional form of adequate protection, consistent with the Budget attached hereto.

6. The provisions of this Interim Order authorizing Debtor's limited use of cash collateral shall remain in full force and effect pending conclusion of a final hearing upon the Motion as contemplated in Bankruptcy Rule 4001(b)(2). The termination of Debtor's authority to use cash collateral hereunder shall not affect any other term or provision of this Order. ***A final hearing (the "Final Hearing") to consider the Motion and the relief sought therein shall be held on _____, 2017 at ____ .m. Eastern Daylight Time.***

7. The entry of this Order and the scheduling of the Final Hearing upon the Motion shall be immediately noticed by Debtor to all parties who have appeared or otherwise responded to the Motion or who have filed a notice of appearance in this case, the office of the United States Trustee, Debtor, Debtor's 20 largest unsecured creditors as identified in its chapter 11 petition, and U.S. Bank. ***Any objections to the relief sought in the Motion must be filed with the Court and served upon the undersigned counsel on or before __:___ .m., Eastern***

Daylight Time on _____. Timely filed and served objections shall be heard at the Final Hearing upon the Motion. *In the event there are no timely filed objections to the relief sought in the Motion, the Final Hearing shall be vacated and the Court will grant final use of cash collateral pursuant to the Motion without a hearing.*

IT IS SO ORDERED.

SUBMITTED AND APPROVED BY:

/s/ Richard K. Stovall _____

Richard K. Stovall (0029978)

Erin L. Gapinski (0084984)

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Proposed Counsel for Brookwood Academy, Inc.

Debtor and Debtor in Possession

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Prep Academy Schools
13 WEEK CASH FLOW FORECAST
8/25/2017

Week Beginning Date	1 08/28/17	2 09/04/17	3 09/11/17	4 09/18/17	5 09/25/17	6 10/02/17	7 10/09/17	8 10/16/17	9 10/23/17	10 10/30/17	11 11/06/17	12 11/13/17	13 11/20/17	13 Week TOTAL
PROJECTED COLLECTIONS:														
Foundation payment - ODE	\$0	\$0	\$138,842	\$0	\$0	\$0	\$138,842	\$0	\$0	\$0	0.00	\$138,842	\$0	\$ 416,527
Casino Revenue disbursement	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 1,500
Employee insurance disbursement	\$1,445	\$0	\$0	\$0	\$1,445	\$0	\$0	\$1,445	\$0	\$0	\$0	\$0	\$1,445	\$ 5,781
Employee insurance contributions	\$1,667	\$0	\$0	\$0	\$4,613	\$0	\$0	\$0	\$4,613	\$0	\$0	\$0	\$4,613	\$ 15,505
Title I Grant	\$7,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 7,624
Title I School Improvement Grant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 0
IDEA-B Grant	\$0	\$0	\$0	\$0	\$3,744	\$0	\$0	\$0	\$3,744	\$0	\$0	\$0	\$3,744	\$ 11,232
Federal lunch grant	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$2,500	\$ 7,500
SERS refund	\$0	\$0	\$901	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 901
Medicaid reimbursement	\$0	\$0	\$500	\$0	\$0	\$0	\$1,500	\$0	\$0	\$0	\$1,500	\$0	\$0	\$ 3,500
TOTAL COLLECTIONS	\$ 12,236	\$ -	\$ 140,243	\$ -	\$ 12,302	\$ -	\$ 140,342	\$ 1,445	\$ 10,857	\$ -	\$ -	\$ 138,842	\$ 12,302	\$ 470,070
PROJECTED DISBURSEMENTS:														
Payroll	\$36,163	\$0	\$0	\$72,975	\$0	\$0	\$0	\$72,975	\$0	\$0	\$0	\$0	\$72,975	\$ 255,089
Aetna	\$ 4,671	\$ -	\$ -	\$ -	\$ 4,671	\$ -	\$ -	\$ -	\$ 4,671	\$ -	\$ -	\$ -	\$ 4,671	\$ 18,685
Allen, Kuehnle, Stovall, & Nueman LLP (attorney)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 10,000
Special Litigation counsel	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ 5,000
Amazon	\$ -	\$ -	\$ -	\$ -	\$ 1,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,259
Blue Technologies	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 300
Brookwood Presbyterian Church	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,258	\$ -	\$ -	\$ -	\$ -	\$ 8,258	\$ -	\$ 24,774
Champions Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,600	\$ 5,600	\$ -	\$ -	\$ -	\$ 5,600	\$ -	\$ 16,800
Cincinnati Insurance Company	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Department Of The Treasury (Medicare)	\$ 524	\$ -	\$ -	\$ 1,058	\$ -	\$ -	\$ -	\$ 1,058	\$ -	\$ -	\$ -	\$ -	\$ 1,058	\$ 3,699
DGG Enterprises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,068	\$ -	\$ -	\$ -	\$ -	\$ 1,068	\$ -	\$ 3,204
Healthcare Billing Svcs Inc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ 140	\$ -	\$ 245
JSD Management Inc	\$ -	\$ 119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119
Metropolitan Educational Technology Assoc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,278
ODE (sponsorship)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,083	\$ -	\$ -	\$ -	\$ -	\$ 2,083	\$ -	\$ 6,248
ODJFS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ohio BWC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,247	\$ 3,740
Reynoldsburg City Schools	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,388	\$ -	\$ -	\$ -	\$ -	\$ 1,388	\$ -	\$ 4,165
Saw Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,135	\$ -	\$ -	\$ -	\$ -	\$ 29,135	\$ -	\$ 87,404
School Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,315	\$ -	\$ -	\$ -	\$ -	\$ 5,315	\$ -	\$ 15,945
Sean Fraunfelder	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200	\$ -	\$ -	\$ 2,700
Sheakley Uniservice Inc	\$ -	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250
Smith Educational Consulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ 4,500
Staples Contract & Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750	\$ -	\$ 1,750
State Teachers Retirement System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,882	\$ -	\$ -	\$ -	\$ -	\$ 5,882	\$ -	\$ 17,646
U.S. Bank	\$ 25	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 310	\$ -	\$ -	\$ -	\$ -	\$ 310	\$ 1,005
US Trustee fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,625
Wolfe Insurance Group	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 947
Total Cash Outflow	\$ 5,371	\$ 219	\$ 62,764	\$ 3,315	\$ 8,952	\$ 100	\$ 63,601	\$ 6,968	\$ 5,918	\$ 25	\$ 1,300	\$ 68,619	\$ 7,286	\$ 234,438
Total Current Operating Disbursements	\$ 41,534	\$ 219	\$ 62,764	\$ 76,290	\$ 8,952	\$ 100	\$ 63,601	\$ 79,943	\$ 5,918	\$ 25	\$ 1,300	\$ 68,619	\$ 80,262	\$ 489,527
NET CASH FLOW	\$ (29,298)	\$ (219)	\$ 77,479	\$ (76,290)	\$ 3,350	\$ (100)	\$ 76,741	\$ (78,498)	\$ 4,939	\$ (25)	\$ 200	\$ 70,224	\$ (67,959)	\$ (19,457)
BOOK CASH ROLL FORWARD:														
Beginning Book Cash Balance	\$ 82,662	\$ 53,364	\$ 53,145	\$ 130,624	\$ 54,334	\$ 57,684	\$ 57,584	\$ 134,325	\$ 55,827	\$ 60,766	\$ 60,741	\$ 60,941	\$ 131,164	\$ 82,662
Net Cash Flow	\$ (29,298)	\$ (219)	\$ 77,479	\$ (76,290)	\$ 3,350	\$ (100)	\$ 76,741	\$ (78,498)	\$ 4,939	\$ (25)	\$ 200	\$ 70,224	\$ (67,959)	\$ (19,457)
Ending Book Cash Balance	\$ 53,364	\$ 53,145	\$ 130,624	\$ 54,334	\$ 57,684	\$ 57,584	\$ 134,325	\$ 55,827	\$ 60,766	\$ 60,741	\$ 60,941	\$ 131,164	\$ 63,205	\$ 63,205