

REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this "Agreement") is made as of May __, 2015 by and between FREIRE CHARTER SCHOOL OF WILMINGTON, INC., a Delaware non-profit corporation ("Borrower"), and BARCLAYS BANK DELAWARE, a Delaware banking corporation (the "Bank").

W I T N E S S E T H:

WHEREAS, Borrower desires to obtain a credit facility from the Bank in the maximum amount of \$800,000; and

WHEREAS, the Bank is willing to establish the credit facility and lend funds to Borrower, subject to and in accordance with the provisions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 General. The following terms, as used herein, shall have the following respective meanings:

Business Day means a day on which the Bank's principal office in Wilmington, Delaware is open to the public for the general conduct of business.

Debt of any Person means at any date (a) all obligations of such Person for borrowed money, (b) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder, (c) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (d) all obligations of such Person to pay the deferred purchase price of property or services, (e) all obligations relating to any preferred stock subject to mandatory redemption provisions upon Borrower's satisfaction of the terms and conditions of the mandatory redemption provisions, (f) all obligations of such Person as lessee under capital leases, (g) all Debt or other obligations of any other Person secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person, and (h) all Debt or other obligations of any other Person, guaranteed by such Person.

Default means any event or condition which, with the giving of notice or lapse of time or both, would become an Event of Default.

Designated Account means the Bank's Account Number _____ at _____, APA Routing No. _____, or such other account as may be designated by the Bank upon not less than five (5) days prior written notice to Borrower.

Event of Default shall have the meaning set forth in Section 6.1 hereof.

Facility means the sum of Eight Hundred Thousand Dollars (\$800,000).

Final Drawdown Date means the date thirty (30) days prior to the Revolving Credit Termination Date, or the date on which Borrower gives written notice terminating its ability to obtain Loans hereunder in accordance with Section 2.1 hereof.

GAAP means generally accepted accounting principles in the United States, applied on a consistent basis (except for changes concurred in by Borrower's independent public accountants).

Initial Loan means the first loan obtained by Borrower under the Facility pursuant to the provisions of Article II hereof.

Interest Period means a period from and including the 1st day of any calendar month to and including the last day of such calendar month; provided that the first Interest Period shall mean a period from and including the date the Initial Loan is advanced to Borrower to and including the last day at the calendar month in which the Initial Loan is advanced.

Interim Payment Date shall have the meaning set forth in Section 2.6(b) hereof.

Investment means any investment in any Person whether by means of share purchase, loan, capital contribution, advance, or otherwise.

Lien means, with respect to any asset, (a) any lien, charge, claim, mortgage, security interest, pledge or other encumbrance of any kind relating to such asset or (b) the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

Loan or Loans mean any and all advances of funds made by the Bank to Borrower under the provisions of Article II of this Agreement.

Note means the promissory note of Borrower described in Section 2.1 hereof and any and all promissory notes given in substitution therefor or in renewal, extension or modification thereof, in whole or in part, which promissory note or notes shall evidence all Loans extended hereunder.

Note Rate means an annual fixed rate of five percent (5%). All calculations of interest measured by the Note Rate or the Past Due Rate shall be determined on the basis of a 360-day year for actual days elapsed.

Notice of Borrowing means a written request for borrowing given by Borrower to the Bank in accordance with the provisions of Section 2.3(a) hereof.

Past Due Rate means a rate per annum equal to the Note Rate plus two percent (2%).

Payment Date means, with respect to any Loan, the last day of each Interest Period

or if such day is not a Business Day, then the immediately preceding Business Day.

Person means an individual, corporation, limited liability company, partnership, association, trust, business trust, sole proprietorship or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

Related Documents shall have the meaning set forth in Section 3.1(b) hereof.

Revolving Credit Termination Date means (i) **[May 31, 2018]** or, (ii) in the event that Borrower elects to terminate the Facility under Section 2.1 hereof, the date which is thirty (30) days from the date on which Borrower gives notice of termination of the Facility or, if such day is not a Business Day, the immediately preceding Business Day.

Subsidiary or Subsidiaries means any corporation or corporations whose capital stock or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions is at the time directly or indirectly owned by Borrower.

Unused Facility means, as of the date of any determination of Unused Facility, the Facility less the aggregate principal amount of all Loans then outstanding.

1.2 Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP.

1.3 Construction. Unless the context otherwise requires, references to the plural shall include the singular and the singular shall include the plural. The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provisions of this Agreement. The article, section and other headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement.

ARTICLE II

BORROWINGS

2.1 General Terms. On the basis of Borrower’s representations and warranties contained herein and subject to the other terms and conditions of this Agreement, including the limits on borrowing set forth in Section 2.2 hereof, the Bank agrees to loan to Borrower, and Borrower may borrow from the Bank, amounts which in the aggregate at any time outstanding do not exceed the Facility. Borrower’s Loans from the Bank will be evidenced by a Note, substantially in the form attached hereto as **Exhibit A**. The Unused Facility may be terminated by Borrower upon five (5) days written notice given in accordance with Article VII. The Facility may be terminated by Borrower upon thirty (30) days written notice given in accordance with Article VII. The aggregate unpaid balance of principal and interest on all outstanding Loans, together with all charges and fees due under the terms of this Agreement and the Note, shall be due and payable as provided in Section 2.6 hereof.

2.2 Advances of Loan Proceeds.

(a) Loans will not be advanced to Borrower until and unless the conditions set forth in Article III have been met.

(b) Loans will be advanced to Borrower hereunder in accordance with Notices of Borrowings given under Section 2.3. Notwithstanding any other provision hereof, it is agreed that the aggregate amount of all Loans outstanding at any one time hereunder may not exceed the Facility. Prior to the Final Drawdown Date, and within the foregoing limits (and subject to the annual paydown requirement set forth in Section 2.6(b)), Borrower may obtain Loans under this Section 2.2(b), repay such Loans under Section 2.6, and obtain further Loans under this Section 2.2(b).

2.3 Method of Borrowing.

(a) Borrower shall give the Bank at least five (5) Business Days oral or written advance notice of any Loan request and shall submit a Notice of Borrowing with respect to each Loan within the time limits specified below; provided, however, that no Notice of Borrowing may be given, and no additional Loans may be obtained, subsequent to the Final Drawdown Date. Borrower shall provide the Bank with a Notice of Borrowing in respect of a Loan by 11:00 a.m. (eastern time) at least two (2) Business Days preceding the date of such Loan. Each Notice of Borrowing shall specify the dollar amount of the Loan requested and the desired drawdown date. Each Loan shall be in the principal amount of One Thousand Dollars (\$1,000.00) or any higher multiple of One Thousand Dollars (\$1,000.00).

(b) Not later than 12:00 noon (eastern time) on the date of each Loan the Bank will initiate a wire transfer of the Loan proceeds to a deposit account that shall have been designated by Borrower in its applicable Notice of Borrowing.

2.4 Interest Rates; Interest Payments. Loans made hereunder and evidenced by the Note shall bear interest on the aggregate unpaid principal amount thereof from time to time outstanding, calculated as to each Loan from the date of advance, at the Note Rate. Interest shall be payable in arrears on each Payment Date and on the Revolving Credit Termination Date.

2.5 Additional Interest. If the full amount of any installment of interest and/or principal due with respect to any Loan or any other amount due hereunder or under the Note is not timely remitted to the Bank on or before the due date thereof in the manner herein provided, interest shall accrue on the overdue amount at the Past Due Rate until such time as the same is remitted to and received by the Bank.

2.6 Principal Payments. The principal amounts of the Loans shall be paid as follows:

(a) Borrower may, on any Payment Date, prepay any Loan in whole or in part without premium or penalty, provided that Borrower shall give notice of the prepayment to the Bank by 11:00 a.m. (eastern time) at least two (2) Business Days prior to the date of prepayment.

(b) On [April 30, 2016] and on each subsequent [April 30] occurring prior to the Revolving Credit Termination Date or, if any such day is not a Business Day, on the immediately preceding business Day (each such day, an “Interim Payment Date”), Borrower shall be required to pay in full the unpaid principal amount of all Loans then outstanding, together with all accrued and unpaid interest and any other sums payable hereunder. No additional Loans will be advanced by the Bank under Section 2.2 hereof (and, for the avoidance of doubt, the outstanding balance of all Loans must remain zero) during the thirty (30) day period following each Interim Payment Date. Without limitation of Section 6.1(a), any failure of Borrower to pay the full amount due on any Interim Payment Date shall constitute an Event of Default and will automatically terminate the Facility.

(c) On the Revolving Credit Termination Date, the aggregate unpaid principal amount of all Loans then outstanding, together with all accrued and unpaid interest and any other sums payable hereunder, shall be due and payable in full.

2.7 Funds Transfers. All Loans made or to be made hereunder by the Bank and all principal, interest, fees and other sums required to be remitted to the Bank by Borrower shall be advanced, remitted or paid, as applicable, by wire transfer in immediately available funds. Payments to the Bank shall be directed to the Designated Account and shall be made prior to 12:00 noon (eastern time) on the due date thereof.

2.8 Use of Proceeds. Borrower will utilize the proceeds of the Loans for payment of the ordinary and usual operating expenses of the new school facility to be occupied by Borrower located at 201 W. 14th Street, Wilmington, Delaware 19802 (the “Leasehold Premises”), as the same shall be shown on annual budgets provided to the Bank on or before June 15th of each calendar year and approved by the Bank in writing, as such budgets may be updated with the prior written approval of the Bank, such approvals not to be unreasonably withheld, conditioned or delayed.

ARTICLE III

CONDITIONS OF LENDING

The obligation of the Bank to make any Loans hereunder is subject to the performance by Borrower of all of its obligations under this Agreement and to the satisfaction of the following further conditions:

3.1 Initial Loan. In the case of the Initial Loan:

(a) The Bank shall have received the Note, duly executed by Borrower, and a fully executed counterpart of this Agreement;

(b) The Bank shall have received (i) certified copies of all corporate action taken by Borrower to authorize the execution, delivery and performance of this Agreement, the Note and the further documents referred to herein or contemplated hereby (the “Related Documents”), (ii) certified copies of Borrower’s certificate of incorporation and bylaws and all amendments thereto; (iii) a good standing certificate for Borrower issued as of a recent

date by the Secretary of State of the State of Delaware, and (iv) such other corporate documents and other papers as the Bank may reasonably request;

(c) The Bank shall have received a certificate of a duly authorized officer of Borrower as to the incumbency, and setting forth a specimen signature, of each of the persons (i) who has signed the Note, this Agreement and the Related Documents on behalf of Borrower; and (ii) who will, until replaced by other persons duly authorized for that purpose, act as a representative of Borrower for the purpose of signing documents, making applications for Loans and otherwise acting on behalf of Borrower in connection with the continuing transactions contemplated hereby;

(d) The Bank shall have received an opinion of counsel to Borrower, covering such matters as the Bank may reasonably request, dated the date of the Initial Loan, which is satisfactory to the Bank and its counsel;

(e) The Bank shall have received a balance sheet of Borrower as of March, 2015 certified as to fairness of presentation, compliance with generally accepted accounting principles and consistency by the president or the chief financial officer of Borrower, together with a certificate of the president or chief financial officer stating that there has been no material adverse change in the business of Borrower from March, 2015 through the date of the Initial Loan;

(f) All legal matters incident to the transactions herein contemplated shall be satisfactory to Morris, Nichols, Arsht & Tunnell LLP, counsel to the Bank.

3.2 All Loans. In the case of each Loan hereunder:

(a) The Bank shall have received a Notice of Borrowing as required under Section 2.3 hereof;

(b) The Security Agreement dated as of April 20, 2015 entered into by Borrower, as debtor, and the Bank, as secured party, shall be in full force and effect.

(c) The Bank shall have received such other documents, evidence, materials and information with respect to the matters contemplated hereby as the Bank may reasonably request;

(d) Coincident with the making of the Loan, no Default or Event of Default shall have occurred and be continuing; and

(e) The representations and warranties contained in this Agreement shall be true in all material respects on and as of the date of the Loan with the same force and effect as if made on and as of such date.

Each Notice of Borrowing given by Borrower hereunder shall be deemed to be a representation and warranty by Borrower on the date of such Loan as to the facts specified in Sections 3.2(c) and 3.2(d) above.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to execute this Agreement and to make the Loans contemplated hereby, Borrower makes the following representations and warranties to the Bank, all of which representations and warranties shall survive the execution and delivery of this Agreement and the making of the Loans contemplated hereby:

4.1 Due Organization. Borrower is a non-profit, non-stock corporation duly organized, validly existing in good standing under the laws of the State of Delaware and has all corporate power and authority necessary to carry on the businesses now being conducted by it and to own its properties.

4.2 Corporate Authorization; No Contravention. The execution, delivery and performance by Borrower of this Agreement, the Note and the Related Documents, and the consummation of the transactions contemplated hereby and thereby, are within such Borrower's corporate power, have been duly authorized by all necessary corporate action and will not contravene, or constitute a default under, any provision of applicable law or regulation or the certificate of incorporation or bylaws of Borrower, or of any judgment, order, decree, agreement or instrument to which Borrower is a party or by which its property is bound; and the same do not require the action, consent or approval of, or registration with, any governmental body, agency, authority or other Person which has not been taken or obtained and an advice or copy thereof furnished to the Bank.

4.3 Validity and Enforceability. This Agreement, the Note and the Related Documents have been duly executed and delivered by Borrower and constitute the legal, valid and binding obligations of Borrower, enforceable in accordance with their respective terms.

4.4 Litigation. There are no actions, suits or proceedings pending against or, to the knowledge of Borrower, threatened against or affecting, Borrower in any court or before any governmental department, agency or instrumentality, an adverse decision in which is not fully covered by insurance or otherwise reserved against or which could materially and adversely affect the financial condition of Borrower or the ability of Borrower to operate its business or to perform its obligations under this Agreement, the Note or the Related Documents.

4.5 Non-Default. Borrower is not in default in the performance, observance or fulfillment of any obligation, covenant or condition contained in, and no event of default has occurred and is continuing under, any bond, debenture, note or other evidence of indebtedness, or in any mortgage, deed of trust, indenture or loan agreement to which Borrower is a party or by which its property is bound; nor has any act, omission or event occurred which, with the giving of notice and/or the passing of time, would become an event of default under any such instrument or document.

4.6 Taxes. Borrower has filed (or has obtained extensions of the time by which it is required to file) all United States federal income tax returns and all other state or local tax returns required to be filed and has paid all taxes shown due on the returns so filed as well as

all other taxes, assessments and governmental charges which have become due, except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been provided.

4.7 ERISA. Borrower has fulfilled its obligations under the minimum funding standards of the Employee Retirement Security Act of 1974, as amended (“ERISA”), and has not incurred any liability to the Pension Benefit Guaranty Corporation, or any entity succeeding to any or all of its functions under ERISA, in connection with any plan established or maintained by Borrower.

4.8 Legal Requirements. Borrower is in compliance with all applicable laws, statutes, ordinances, decrees, requirements, orders, judgments, rules, regulations of, and the terms of any license or permit issued by, any governmental authority the failure to comply with which might have a material adverse effect on Borrower, and Borrower manages and operates its business in accordance with good industry practices.

4.9 Financial Condition. Borrower is in solvent condition and no bankruptcy or insolvency proceedings are pending or contemplated by Borrower. The balance sheet of Borrower delivered to the Bank pursuant to Section 3.1(e) hereof fairly presents, in conformity with GAAP, the financial position of Borrower at such date and there has been no material adverse change in the financial position of Borrower since that date.

4.10 Permits; Licenses. Borrower (a) holds all permits, licenses, consents, franchises, charters and authorizations issued by any federal, state or local government or agency thereof which are necessary in connection with the Leasehold Premises and the ownership of its properties and assets with the exception of the certificate of occupancy for the Leasehold Premises which shall not be issued until June 15, 2015, and (b) owns or has the lawful right to use all necessary trademarks, tradenames, patents, licenses and other rights which are required to conduct its business as presently conducted and as proposed to be conducted.

4.11 Government Regulations. Borrower is not subject to any federal or state statute or regulation limiting its ability to incur Debt for money borrowed.

4.12 Subsidiaries. Borrower does not have any Subsidiaries or hold any Investment in any other Person.

ARTICLE V

COVENANTS

So long as this Agreement shall be in effect and the Note is outstanding, and unless compliance shall have been waived in writing by the Bank, Borrower covenants and agrees that:

5.1 Information. Borrower will deliver to the Bank:

(a) As soon as available and in any event within ninety (90) days after the end of each fiscal year of Borrower, a balance sheet of Borrower as of the end of such year and related statements of operations and cash flows for the year then ended, all in reasonable

detail and satisfactory in scope to the Bank and reported on by independent certified accountants of publicly recognized standing satisfactory to the Bank;

(b) As soon as available and in any event within forty-five (45) days after the end of each of the first three quarters of each fiscal year of Borrower, a balance sheet of Borrower as of the end of such quarter and the related statements of operations and cash flows for such quarter and for the portion of Borrower's fiscal year ended at the end of such quarter, all certified (subject to normal year-end adjustments) as to fairness of presentation, compliance with GAAP and consistency by the chief financial officer of Borrower;

(c) Simultaneously with the delivery of each set of financial statements of Borrower referred to in Sections 5.1(a) and 5.1(b), a certificate of the chief financial officer of Borrower stating whether there exists on the date of such certificate any Default and, if any Default then exists, setting forth the details thereof and the action which Borrower is taking or proposes to take with respect thereto;

(d) Notice, immediately after Borrower knows or has reason to know, of (i) any pending or threatened litigation or administrative proceeding affecting Borrower which might, if adversely determined, have a material adverse effect on Borrower, (ii) any material adverse change in the assets, liabilities, financial condition, business, operations, affairs or circumstances of Borrower, or (iii) any Default or Event of Default, in each case specifying the nature and extent thereof and what action Borrower has taken, is taking or proposes to take with respect thereto; and

(e) From time to time such additional information regarding the financial position or business of Borrower or any affiliated Person as the Bank may reasonably request.

5.2 Liens. Borrower shall not create, assume or suffer to exist any Lien on, or sell, assign, pledge, transfer or grant any security interest in, any material assets now owned or hereafter acquired by it, provided that Borrower may create or suffer to exist:

(a) Liens in favor of the Bank;

(b) Liens which have received the written approval of the Bank prior to their attachment; and

(c) Liens attached on or prior to the date hereof of which Bank has received written notice from Borrower.

5.3 Change in Business or Structure. Borrower will not at any time:

(a) In any single transaction or series of transactions, directly or indirectly, consolidate with or merge into any corporation, or permit any corporation to merge into it without the approval of the Bank, such approval not to be unreasonably withheld, or sell, lease, transfer or otherwise dispose of any of its assets other than in the ordinary course of its business without the written approval of the Bank, such approval not to be unreasonably withheld; or

(b) Subject to the provisions of Section 5.3(a), change the nature of its business or enter into any business which is substantially different from the business presently conducted by it.

5.4 Change in Principal Office. Borrower will give the Bank not less than sixty (60) days prior written notice of any relocation of its principal place of business.

5.5 Maintenance of Existence. Subject to the provisions of Section 5.3(a), Borrower will preserve and maintain its corporate existence and all of its rights, privileges and franchises as are necessary or desirable in the normal conduct of its business and will conduct its business in the ordinary course.

5.6 Maintenance of Properties and Performance of Maintenance Services. Borrower will keep all of its properties maintained and in good repair, and shall make all repairs, replacements and additions to its property as may be reasonably necessary to conduct its business and activities properly and efficiently.

5.7 Compliance with Laws and Certain Agreements. Borrower will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental body or regulatory agency having jurisdiction except where the necessity of compliance with such applicable laws, rules, regulations and requirements is contested in good faith by appropriate proceedings, and will perform and continue to perform all of its obligations under this Agreement, the Note and the Related Documents.

5.8 Payment of Taxes. Borrower will pay and discharge all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or any of its property prior to the date on which penalties attach thereto, except that Borrower will not be required hereby to pay any such tax, assessment, charge or levy the payment of which is being contested in good faith by proper proceedings and against which it is maintaining adequate reserves.

5.9 Insurance.

(a) Borrower shall maintain in force with financially sound and reputable insurers, policies with respect to its property and business against such casualties and contingencies and in such amounts as is customary in the case of corporations engaged in similar lines of business of comparable size and financial strength.

(b) Prior to the making of the Initial Loan and at such times as the Bank may request (but no more than one time in any twelve month period), Borrower shall provide to the Bank a detailed list of insurance then in effect on its behalf, stating the names of the insurance companies, the policy numbers, the names of the parties to whom the policies have been issued, the amounts and rates of insurance, the dates of expiration thereof and property and risks covered thereby, together with a certificate of the chief executive officer, chief financial officer or treasurer of Borrower certifying that such insurance is in full force and effect and is adequate in nature and amount and complies with the requirements of this Section 5.9. Borrower shall provide the Bank with notice of any changes in its insurance policies and coverage fifteen

(15) days, or such other period as agreed to in writing by the Bank, prior to the occurrence of any such changes.

5.10 Indemnification. Borrower shall pay and indemnify the Bank against any losses, costs, claims, damages, liabilities and expenses, including, without limitation, attorneys' fees and expenses, arising out of or incurred in connection with or as a result of the transactions contemplated by this Agreement, including, without limitation, the preparation, execution and delivery of this Agreement, the Note and the Related Documents or performance of any of their respective terms; provided, however Borrower shall not be responsible for any claims related to gross negligence or willful misconduct of the Bank. The obligations of Borrower under this Section 5.10 shall survive any termination of this Agreement and the final payment of the Loans.

5.11 Advances and Cure. If Borrower should fail to perform or observe, or to cause to be performed or observed, any covenant or obligation under this Agreement or the Related Documents, the Bank, upon the giving of reasonable notice, may (but shall be under no obligation to) take such steps as are necessary to remedy any such nonperformance or nonobservance and provide for payment thereof, if any. All amounts advanced by the Bank pursuant to this Section 5.11 shall become an additional obligation of Borrower to the Bank secured by any security interests granted by Borrower to the Bank, which amounts shall be payable by Borrower to the Bank on demand and shall bear interest from the date of expenditure until paid at the Past Due Rate.

5.12 Inspection. Borrower shall permit the Bank during normal business hours (i) to visit, inspect and photograph any of its properties and (ii) upon advance written notice, to examine, audit, copy and make extracts from its books and papers and discuss its affairs, finances and accounts with its officers, accountants and auditors, all at such times and intervals and to such extent as the Bank may reasonably request; provided that the Bank shall not exercise the powers referenced in clause (ii) above more than twice in any twelve month period.

5.13 Further Assurances. Borrower, at its expense, will do such acts and things and shall execute, deliver and, if applicable, cause to be filed all such documents as may reasonably be requested by the Bank or the Bank's counsel in order to fully effectuate the purpose and intent, and to assure the enforceability, of this Agreement, the Note or any Related Document.

5.14 Additional Debt. Borrower shall not hereafter incur any Debt other than the Loans (or other loans extended by the Bank to Borrower) without having obtained the prior written consent of the Bank.

5.15 Investments. Borrower shall not, without the prior written consent of the Bank, make or acquire any Investment in any Person, other than (a) direct obligations of the United States or any agency thereof, or obligations guaranteed by the United States or any agency thereof, (b) commercial paper rated in the highest grade by a nationally recognized credit rating agency or (c) time deposits with, or repurchase certificates issued by, any office located in the United States of any bank or trust company which has capital, surplus and undivided profits aggregating

at least \$500,000,000, provided in each case that such Investment matures within one year from the date of acquisition thereof by Borrower.

ARTICLE VI

EVENTS OF DEFAULT

6.1 Definition. The occurrence of any one or more of the following events or conditions shall constitute an “Event of Default” hereunder:

(a) Borrower shall fail to pay within five (5) days following the due date thereof any amounts required to be paid to the Bank under this Agreement or the Note;

(b) Any representation or warranty made by Borrower herein or in any document or certificate delivered pursuant hereto shall prove to be incorrect or misleading in any material respect on the date as of which made;

(c) Borrower shall fail to observe or perform any other term, covenant or agreement contained herein, in the Note or in the Related Documents and such failure shall continue uncured for ten (10) days after Borrower knows of such failure;

(d) Any event or condition shall occur which results in the acceleration of the maturity of any Debt of Borrower or which enables (or, with the giving of notice or lapse of time or both, would enable) the holder of such Debt or any Person acting on such holder’s behalf to accelerate the maturity thereof;

(e) Borrower shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its Debts under any federal or state bankruptcy, insolvency or other similar law now or hereafter in effect,, or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of, or to the taking of possession of all or any substantial part of its property by, any such official in an involuntary case or other proceedings commenced against it (or shall not timely contest the same), or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing;

(f) An involuntary case or other proceeding shall be commenced against Borrower seeking liquidation, reorganization or other relief with respect to it or its Debts under any federal or state bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days, or any order for relief or other order approving any such case or proceeding is entered;

(g) A material adverse change shall occur in the assets, liabilities, financial condition, business, operations, affairs or circumstances of Borrower;

(h) Final judgment for the payment of money in excess of fifty thousand dollars (\$50,000) shall be rendered against Borrower and Borrower shall not discharge the same or provide for its discharge in accordance with its terms, or shall not procure a stay of execution thereof within ten (10) days from the date of entry thereof and within such ten (10) day period, or such longer period during which execution of such judgment shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(i) A levy or attachment in excess of fifty thousand dollars (\$50,000) shall have been made against Borrower and shall have remained unstayed, unpaid or unbonded for a period of thirty (30) days;

(j) Borrower shall have concealed, removed, or permitted to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of them, or made or suffered a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or shall have made any transfer of its property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or

(k) This Agreement shall, at any time after the execution and delivery hereof, cease to be in full force and effect or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Borrower, or Borrower shall deny that it has any or further liability or obligation under this Agreement.

6.2 Acceleration. Upon the occurrence of any of the Events of Default specified in Section 6.1(d), 6.1(e), 6.1(f) or 6.1(j) above, the Facility shall thereupon be automatically terminated and the principal of and accrued interest on the Loans and the Note, and all other sums payable under this Agreement or the Related Documents, shall automatically become due and payable in full without presentment, demand, protest or other notice or formality of any kind, all of which are hereby expressly waived by Borrower. Upon the occurrence of any other Event of Default, and so long as the same shall be continuing, the Bank may, by notice in writing to Borrower, terminate the Facility hereunder, and it shall thereupon be terminated, and declare the principal of and accrued interest on the Loans and the Note, and all other sums payable under this Agreement or the Related Documents, to be, and the same shall thereupon forthwith become, due and payable in full without presentment, demand, protest or other notice or formality of any kind, all of which are hereby expressly waived by Borrower.

6.3 Remedies. Upon the occurrence of an Event of Default and so long as the same is continuing:

(a) The Bank may collect any and all amounts due hereunder from the Guarantor pursuant to the terms of the Guaranty (up to the maximum \$250,000 limit on the obligation of the Guarantor under the Guaranty). The Bank may enforce the Guaranty without any obligation to first attempt to collect any or all amounts due from Borrower. Alternatively or concurrently, the Bank, at its option, may exercise all of its rights and remedies under applicable law to collect amounts due hereunder from Borrower or its assets or properties.

(b) The Bank shall have the further right, immediately and without prior notice, to set off against any amounts due hereunder or under the Note any property of Borrower that the Bank, or any agent of the Bank, at any time, now or hereafter, shall have or have the right to have in its possession (including, without limitation, any balance or share of any deposit, agency, trust, escrow or other account or accounts of Borrower with the Bank or its affiliates or agents) and against any indebtedness, liabilities, or obligations of the Bank in any capacity to Borrower, whether or not then due.

(c) The Bank may resort to any security now existing or hereafter given to secure payment of the Note and performance of Borrower's other obligations under this Agreement, in whole or in part, and in such portions and in such order as may seem desirable to the Bank in its sole and uncontrolled discretion and any such action shall not in any way be considered as a waiver of any rights, benefits or security interests granted hereunder or under the Related Documents.

6.4 Collection Costs. Borrower agrees to pay on demand all costs and expenses incurred by the Bank or its agents in attempting to collect or enforce this Agreement, the Note or any of the Related Documents or otherwise incurred by the Bank or its agents in connection with the exercise of its rights and remedies hereunder or thereunder or under applicable law (including, without limitation, the reasonable fees and expenses of the Bank's counsel and all out-of-pocket expenses incurred by the Bank or its designees in connection with the administration, servicing or collection of this Agreement, the Note or any Related Documents).

6.5 Waivers. Borrower hereby waives the benefit of any and all present or future exemption laws of the State of Delaware, or elsewhere, and waives presentment, demand for payment, notice of dishonor and protest and, except as otherwise specifically provided, any and all other notices and demands in connection with the delivery, acceptance, performance or enforcement of, or default under, this Agreement, the Note or the Related Documents. To the extent permitted by law, Borrower further waives, and hereby agrees that it will not seek or derive any benefit or advantage from, any of the following, whether now existing or hereafter in effect:

(a) Any stay, extension, moratorium or other similar law with respect to the Note or any security therefor;

(b) Any law limiting the rights of a judgment creditor in connection with the enforcement of the judgment against a debtor or its property;

(c) Any law permitting the removal or transfer of any legal action from the court originally acquiring jurisdiction thereof;

(d) Any law allowing for the redemption of any property of Borrower after an attachment and disposition thereof; or

(e) Any law providing for the exemption of property from execution process.

6.6 Application of Proceeds on Default. Upon the enforcement of the Bank's remedies under this Article VI, all amounts received by the Bank shall be applied from time to time as follows:

(a) First, to the payment of all costs, expenses and liabilities incurred by the Bank or its agents (including the reasonable fees and expenses of the Bank's counsel) in connection with the exercise by the Bank of its remedies under this Article VI, or otherwise incurred by the Bank or its agents in connection with the enforcement of this Agreement, the Note or the Related Documents;

(b) Second, to the payment of all accrued and unpaid interest on the Loans;

(c) Third, to the payment of the outstanding principal balance of the Loans, applying funds to the payment of Loans in such order and priority as the Bank determines in its sole discretion;

(d) Fourth, to the payment of any other sums due to the Bank hereunder or under the Note or the Related Documents; and

(e) Fifth, any surplus shall be paid over to Borrower or any other Person legally entitled thereto.

ARTICLE VII

NOTICES

Except as otherwise herein provided, notices given in connection with this Agreement shall be in writing and shall be delivered either by personal delivery, by facsimile transmission (with delivery confirmed), by recognized overnight courier or by certified or registered mail, return receipt requested, addressed as follows:

If to Borrower, to:

Freire Charter School Wilmington, Inc.
2027 Chestnut Street
Philadelphia, PA 19103
Attn: Kelly Davenport, Ed.D.
Facsimile: (215) 215-557-9051

With a required copy to:

Freire Charter School Wilmington, Inc.
2027 Chestnut Street
Philadelphia, PA 19103
Attn: Tammy Khieu
Facsimile: (215) 215-557-9051

If to the Bank, to:

Barclays Bank Delaware
125 S. West Street
Wilmington, Delaware 19801
Attn: General Counsel
Facsimile: (302) 255-8277

-- or at such other address as the party affected shall have previously designated by written notice given in the manner hereinabove set forth. Notices shall be deemed given when sent, if sent by facsimile transmission (or on the next Business Day if sent on a non-Business Day); one day after sent if sent by overnight courier; when delivered and receipted for, if hand-delivered; or when receipted for (or upon the date of attempted delivery where delivery is refused) if sent by certified or registered mail.

ARTICLE VIII

TERM

This Agreement shall be effective as of the day and year first above written and shall remain in full force and effect until the Note and all interest thereon is fully and finally paid and all other obligations of Borrower hereunder and under the Note and any Related Documents are fully and finally satisfied.

ARTICLE IX

GENERAL PROVISIONS

9.1 Waiver. No delay or failure on the part of the Bank in exercising any right, privilege, remedy, power or option under this Agreement, the Note or the Related Documents shall operate as a waiver thereof or of any other right, privilege, remedy, power or option, nor shall any single or partial exercise of any right, privilege, remedy, power or option hereunder or thereunder preclude any other further exercise thereof or the exercise of any other right, privilege, remedy, power or option. The rights or remedies provided in and contemplated by this Agreement, the Note and the Related Documents are cumulative and not exclusive of any other rights or remedies provided by applicable law. No waiver whatever shall be valid against the Bank unless in writing and signed by an officer of the Bank.

9.2 Binding Effects; Assignments.

(a) This Agreement shall be binding upon and shall inure to the benefit of Borrower and the Bank and their respective successors and assigns, except that Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or under the Note or the Related Documents without the prior written consent of the Bank.

(b) The Bank, without requirement for the consent of Borrower, may at any time sell, assign, transfer, grant participations in or otherwise dispose of (i) all or any part

of its right, title and interest in this Agreement, the Note or the Related Documents, and (ii) any or all of its obligations hereunder, and in connection with any such disposition the Bank may transfer all or any part of its rights, title and interest hereunder or under the Note or the Related Documents.

9.3 Entire Agreement; Amendments. This Agreement, the Note and the Related Documents, together with exhibits, constitute the entire understanding between the parties concerning the subject matter and may not be modified, amended, supplemented or terminated orally, but only by a writing signed by the party to be charged.

9.4 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument and all such counterparts shall constitute one and the same Agreement. This Agreement may be executed and delivered by facsimile, PDF or other electronic transmission.

9.5 Headings. The section headings contained herein are for convenience only and shall not be deemed to limit, expand or otherwise affect or modify the meaning or interpretation of this Agreement.

9.6 GOVERNING LAW. THIS AGREEMENT AND THE NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE.

9.7 Consent to Jurisdiction. Borrower hereby irrevocably consents to the jurisdiction of the courts of the State of Delaware and of any federal courts located within the State of Delaware for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement, the Note or any of the Related Documents. Borrower hereby agrees that service of summons, complaint, or other process in connection therewith may be made as set forth in this Agreement with respect to service of notices, and that service so made shall be as effective as if personally made.

9.8 WAIVER OF JURY TRIAL. EACH OF THE PARTIES AGREES THAT ANY SUIT, ACTION OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT OR INSTITUTED BY EITHER PARTY, OR ANY SUCCESSOR OR ASSIGN OF EITHER PARTY, ON OR WITH RESPECT TO THIS AGREEMENT, THE NOTE OR ANY RELATED DOCUMENT SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. BORROWER AND ACKNOWLEDGES AND AGREES THAT THIS SECTION 9.8 IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND THAT THE BANK WOULD NOT ENTER INTO THIS AGREEMENT IF THE WAIVERS SET FORTH IN THIS SECTION WERE NOT A PART OF THIS AGREEMENT.

9.9 Severability. If any provision of this Agreement or the Note is held to be unenforceable or invalid in any jurisdiction, such holding shall not invalidate the remaining provisions hereof or thereof, and this Agreement and the Note shall remain enforceable to the fullest extent permitted by law, and the invalidity or unenforceability of any provision hereof or

of the Note in any one jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties have duly executed this Agreement, intending that this Agreement constitute a sealed instrument, as of the day and year first above written.

FREIRE CHARTER SCHOOL
WILMINGTON, INC.

By: _____(SEAL)
Name:
Title:

BARCLAYS BANK DELAWARE

By: _____(SEAL)
Name: Clinton W. Walker
Title: Managing Director

9114957

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EXHIBIT A

Form of Note

[See Attached]

REVOLVING CREDIT AGREEMENT
BETWEEN
FREIRE CHARTER SCHOOL WILMINGTON, INC.
AND
BARCLAYS BANK DELAWARE
DATED AS OF MAY __, 2015
U.S. \$800,000
