

**Legion Collegiate Academy  
Board Meeting  
3090 Long Meadow Road, Rock Hill, SC**

September 23, 2021  
4:30 pm

**AGENDA**

- Call to order
- Public notice
- Public comments
- Mission: Legion Collegiate Academy (LCA) will serve high school students in a safe, small, family centered environment who seek the opportunity and challenge of a rigorous curriculum, high academic standards, elite athletics while earning up to two years of college credit while in high school.
- Adoption of Agenda (Action Item)
- Approval of Meeting Minutes (Action Item - 08.26.21, 09.07.21 & 09.13.21)
- Principal Report - Dr. Kennedy
- Operations Report - Erik Miller
- Financial Report - Mike Miller
- Capital Campaign Report - David Stringer
- Chairmans Report - Stephanie Burton
- Executive Session (Legal/Contracts)
- Adjournment

The official meeting of the board is by law a public meeting and the board values citizen input; however, to protect the integrity of the agenda, public dialogue will be restricted to the "Public Comments" section of the agenda or as directed by the board chair.

- Each speaker has two minutes.
- Speakers may not ask questions of board members.
- Board members may not engage speakers in discussion.
- Disruptive behavior is not permitted.
- Personal attacks aimed at students or staff are not permitted.
- Scurrilous, obscene, or recklessly defamatory language aimed at any board member is not permitted.

Legion Collegiate Academy - Board Meeting  
3090 Long Meadow Road  
Rock Hill, SC, 29730  
803-620-6040

August 26th, 2021 at 4:30 PM  
Meeting Minutes

**Board Members in Attendance:** Stephanie Burton, David Stringer, Andy Jackson, Cecily Brown and Julie Paquette.

**Staff Attendees:** Dr. TK Kennedy, Andy Patrick, Mike D'Angelo, Mike Miller, Erik Miller, Tyler Turner and Dr. Julie Marshall

**Guest Attendees:** none

**Public Attendees:** none

The Meeting was called to order by Chairperson Stephanie Burton

**Public Notice:** Dr. TK Kennedy affirmed that Public notice was given.

**Public Comments:** None

**Mission read by Chairperson Stephanie Burton:** Legion Collegiate Academy will serve high school students in a safe, small family centered environment who seek the opportunity and challenge of a rigorous curriculum, high academic standards, and elite athletics while earning up to two years of college credit while in high school.

**Agenda:** A motion to approve the agenda was made by Cecily Brown and seconded by Robert Baker. The motion was unanimously approved by a vote of 5 to 0. (Andy Jackson was a little late to start of meeting)

**AGENDA:**

- Call to order
- Public notice
- Public comments
- Adoption of Agenda (Action Item)
- Approval of Meeting Minutes (Action Item - 06.24.21, 07.14.21 & 08.12.21)
- Principal Report - Dr. Kennedy: Dr. Julie Marshall (test performance and progress)
- Operations Report - Erik Miller
- Financial Report - Mike Miller
- Capital Campaign Report - David Stringer
- Chairman's Report - Stephanie Burton
- Executive Session (Legal/Contracts)
- Adjournment

**Motion to approve Board Meeting Minutes from June 24th, July 14th, and August 12th:** Motion by David Stringer, seconded by Cecily Brown, and unanimously adopted with approved vote of 5 to 0.

**Motion for Board and Pinnacle to provide Thank you to school and faculty by way of food truck and or special event, date TBD** was made by Robert Baker, seconded by Cecily Brown and unanimously approved with a vote of 6 to 0.

**Motion for LCA to establish an annual scholarship for one student, honoring the life of Anthony Hutchison, details to be worked out on a later date:** was made by David Stringer, seconded by Robert Baker and unanimously approved by a vote of 6 to 0.

**Executive Session:** A motion was made to move into executive session by Julie Paquette, seconded by Robert Baker. The motion was unanimously approved by a vote of 6 to 0.

**Motion to move out of Executive Session:** Motion was made by Julie Paquette, seconded by Robert Baker, and unanimously adopted with approved vote of 5 to 0.

**Motion to direct Tyler Turner to draft proposed contract for person to be hired by Pinnacle, to be shared between schools to assist with filing for and allocating federal funding:** Motion was made by David Stringer, seconded by Julie Paquette and unanimously adopted with approved vote of 5 to 0. (Board seeks clarification from Pinnacle on hire.)

**Meeting adjourned.**

Next Board Meeting is scheduled for September 23, 4:30pm.

Legion Collegiate Academy – Emergency Board Meeting  
LCA Campus  
3090 Long Meadow Rd,  
Rock Hill, SC 29730

September 7th, 2021 at 5:00 PM  
Meeting Minutes

**Board Members in Attendance:** Stephanie Burton, Cicely Brown, Andy Jackson, Julie Paquette, David Stringer, and Robert Baker.

**Staff Attendees:** Tyler Turner

**Guest Attendees:** None

**Public Attendees:** None

The Meeting was called to order by Chairperson Stephanie Burton

**Mission read by Chairperson Stephanie Burton:** Legion Collegiate Academy will serve high school students in a safe, small family centered environment who seek the opportunity and challenge of a rigorous curriculum, high academic standards, and elite athletics while earning up to two years of college credit while in high school.

**Agenda:** A motion to adopt the agenda and move into Executive Session was made by Robert Baker, seconded by Julie Paquette and unanimously approved by a vote of 6 to 0.

**AGENDA**

- Call to order
- Mission (read by Chair)
- Adoption of Agenda (Action Item)
- Executive Session (Legal/Contracts)
- Action Taken from Executive Session (Action Item)
- Adjournment

**Motion to come out of Executive Session:** Motion made by Robert Baker, seconded by Cecily Brown and unanimously approved by a vote of 6 to 0.

**Motion to authorize Board Chair, Stephanie Burton, to send letter to Board of Erskine Charter Institute to request an appeal hearing as it relates to being placed on emergency fiscal watch:** Motion was made by Julie Paquette, seconded by Robert Baker and unanimously approved by a vote of 6 to 0.

**Motion to engage with Rhodes Branding to assist LCA with branding and communications with the community and agree to schedule time for further discussion with Rhodes Branding at next special meeting, scheduled September 13<sup>th</sup>** was made by Robert Baker, seconded by Andy Jackson and approved with a vote of 5 to 1.

The meeting adjourned.

Legion Collegiate Academy - Board Meeting  
LCA Campus  
3090 Long Meadow Rd,  
Rock Hill, SC 29730

September 13th, 2021 at 5:00 PM  
Meeting Minutes

**Board Members in Attendance:** Stephanie Burton, Cicely Brown, Andy Jackson, Julie Paquette, David Stringer, and Robert Baker.

**Staff Attendees:** Tyler Turner

**Guest Attendees:** None

**Public Attendees:** None

The Meeting was called to order by Chairperson Stephanie Burton

**Mission read by Chairperson Stephanie Burton:** Legion Collegiate Academy will serve high school students in a safe, small family centered environment who seek the opportunity and challenge of a rigorous curriculum, high academic standards, and elite athletics while earning up to two years of college credit while in high school.

**Agenda:** A motion to adopt the agenda was made by Robert Baker, seconded by Julie Paquette and unanimously approved by a vote of 6 to 0.

**AGENDA**

- Call to order
- Mission (read by Chair)
- Adoption of Agenda (Action Item)
- Executive Session (Legal/Contracts)
- Action Taken from Executive Session (Action Item)
- Adjournment

**Motion to move into Executive Session** was made by Cecily Brown, seconded by David Stringer and unanimously approved by a vote of 6 to 0.

**Motion to come out of Executive Session:** Motion made by Robert Baker, seconded by Cecily Brown and unanimously approved by a vote of 6 to 0.

**Motion to authorize Board Chair, Stephanie Burton, to sign engagement contract with Rhodes Branding as per discussion in Executive Session:** Motion was made by David Stringer, seconded by Julie Paquette and unanimously approved by a vote of 5 to 0. (Andy Jackson had to drop off early.)

**Motion to move forward with the Esser Funds Agreement as drafted by Tyler Turner to include reimbursement discussion in Executive Session** was made by David Stringer, seconded by Robert Baker and unanimously approved by a vote of 5 to 0.

The meeting adjourned.

The next scheduled Board Meeting is September 23<sup>rd</sup> at 4:30pm.



## Legion Collegiate Academy Principal Report

Date: September 23<sup>rd</sup>, 2021

### Current enrollment broken down by grade:

- Current enrollment in grades 7 – 12.
    - List enrollment in each grade level 7 – 12
- | 2020-2021           | 2021-2022  |
|---------------------|------------|
| 8 = 0               |            |
| 9 = 74              | 9= 117     |
| 10 = 99             | 10= 98     |
| 11 = 110            | 11= 121    |
| 12 = 73             | 12= 114    |
| <b>***Total 360</b> | <b>450</b> |

## **COVID-19 update 24 positive student cases and 3 Faculty**

### Changes to enrollment since previous report:

30 families signed up for Lunch and Learn

### Reasons for changes (if known):

Personnel changes (assignments/hires/terminations): NA

Reasons for changes: NA

Personnel actions (warnings/probation, etc):

Reasons for actions: N/A

Number of times a resource officer was in your building and the reasons:

0

Number of OSS/Expulsions:

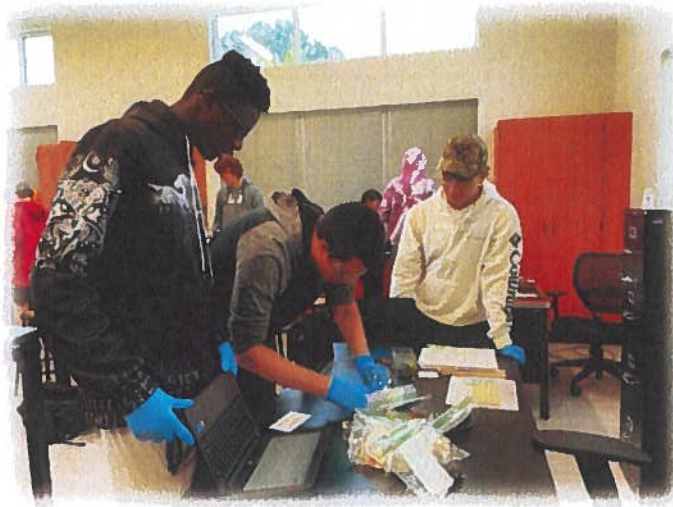
2-OSS

0-Expulsion

No Expulsions

**Primary academic performance foci since previous report:**

Students in Ms. Marshall's Chemistry class were fully engaged in a lab exercise.



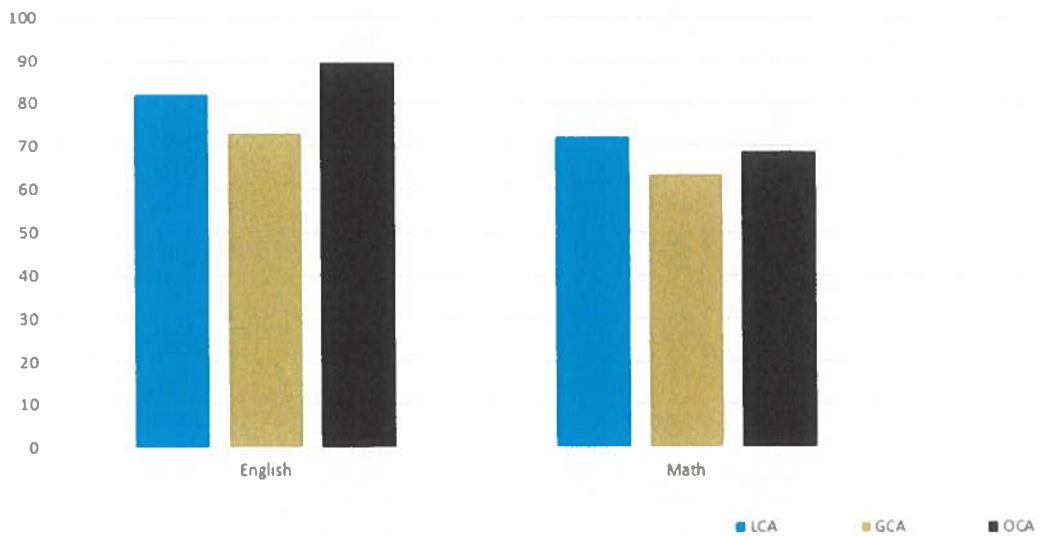
ESSER III has been submitted waiting on approval

GEER will be submitted on Monday 8/30/21

\*\*All MAP testing completed 2021-2022 Freshmen

## 2020-2021 End of Course Results of Pinnacle Schools

End of Course Exam





**Legion Collegiate Academy**  
**Revenues and Expenses - Budget to Actual**  
**Management Use Only**

**For the Two Months Ended August 31, 2021**  
 Month of August 2021 YTD

	Actual	Budget	Variance	Actual	Budget	Variance	Annual	Remaining Budget
<b>Total EFA Revenue:</b>	297,981	401,015	(103,034)	592,108	802,030	(209,922)	4,812,181	4,220,073
2% to District	(6,020)	(8,020)	2,000	(11,903)	(16,041)	4,138	(96,244)	(84,341)
<b>Net EFA Revenue</b>	<b>291,961</b>	<b>392,995</b>	<b>(101,034)</b>	<b>580,205</b>	<b>785,990</b>	<b>(205,784)</b>	<b>4,715,937</b>	<b>4,135,732</b>
Student and Athletics User Fees	25,213	12,500	12,713	44,433	25,000	19,433	150,000	105,567
Interest on Investments	4	417	(413)	7	833	(826)	5,000	4,993
IDEA	-	-	-	-	-	-	-	-
CARES Act Funding	-	8,333	(8,333)	-	16,667	(16,667)	100,000	100,000
Planning and Implementation grant	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>317,177</b>	<b>414,245</b>	<b>(97,067)</b>	<b>624,646</b>	<b>828,490</b>	<b>(203,844)</b>	<b>4,970,937</b>	<b>4,346,291</b>

**Classroom Instruction**

**Salaries**

Classroom Teachers	56,370	51,970	4,400	102,740	103,940	(1,200)	623,640	520,900
LD teachers	6,208	6,183	25	12,417	12,367	50	74,200	61,783
<b>Total Salaries of Full Time Personnel</b>	<b>62,578</b>	<b>58,153</b>	<b>4,425</b>	<b>115,157</b>	<b>116,307</b>	<b>(1,150)</b>	<b>697,840</b>	<b>582,683</b>

Adjunct teachers	-	1,500	(1,500)	-	3,000	(3,000)	18,000	18,000
<b>Total Instructional Personnel</b>	<b>62,578</b>	<b>59,653</b>	<b>2,925</b>	<b>115,157</b>	<b>119,307</b>	<b>(4,150)</b>	<b>715,840</b>	<b>600,683</b>

Retirement-Classroom Teachers	1,035	1,040	(5)	2,016	2,080	(64)	12,480	10,464
Retirement-LD Teacher	-	133	(133)	-	267	(267)	1,600	1,600
Social Security-Classroom Teachers	4,886	4,225	661	9,122	8,450	672	50,700	41,578
Social Security-LD Teachers	567	473	93	1,133	947	187	5,680	4,547
Health Insurance (includes dental, etc)- Classroom	10,500	11,633	(1,133)	19,500	23,267	(3,767)	139,600	120,100
Health Insurance (includes dental, etc.)-LD Teach	1,200	1,200	-	2,400	2,400	-	14,400	12,000
Workers' Compensation-Classroom Teachers	330	472	(142)	660	945	(285)	5,669	5,009
Workers' Compensation-LD Teachers	65	58	7	131	117	14	700	569
Unemployment Compensation-Classroom Teach	61	92	(31)	61	183	(123)	1,100	1,039
Unemployment Compensation-LD Teachers	-	17	(17)	-	33	(33)	200	200
Teacher bonuses	-	5,000	(5,000)	-	10,000	(10,000)	60,000	60,000
Classroom and Instructional Supplies	10,060	2,000	8,060	13,483	4,000	9,483	24,000	10,517
Exceptional Supplies	-	83	(83)	-	167	(167)	1,000	1,000

**Legion Collegiate Academy**  
**Revenues and Expenses - Budget to Actual**  
**Management Use Only**

**For the Two Months Ended August 31, 2021**

Month of August 2021

YTD

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Annual</u>	<u>Remaining Budget</u>
Textbooks	15,843	3,333	12,510	15,843	6,667	9,177	40,000	24,157
Classroom Equipment (desks, chairs, etc.)	3,851	3,333	518	3,851	6,667	(2,816)	40,000	36,149
Classroom Equipment (desks, chairs, etc.) LD	-	-	-	-	-	-	-	-
Computer Equipment	3,532	2,500	1,032	8,062	5,000	3,062	30,000	21,938
Computer Equipment-LD	-	-	-	-	-	-	-	-
Technology assisted courseware	2,270	5,000	(2,730)	19,400	10,000	9,400	60,000	40,600
Curriculum Development	-	-	-	-	-	-	-	-
Substitute Teachers	150	250	(100)	150	500	(350)	3,000	2,850
<b>Total Instruction</b>	<b>116,928</b>	<b>100,497</b>	<b>16,431</b>	<b>210,970</b>	<b>200,995</b>	<b>9,975</b>	<b>1,205,969</b>	<b>994,999</b>
<b>Instructional Support Services</b>								
<b>Pupil Personnel Services</b>								
Salaries								
Student Support - Guidance	9,042	10,500	(1,458)	16,625	21,000	(4,375)	126,000	109,375
PowerSchool Coordinator	2,917	2,917	(0)	5,833	5,833	(0)	35,000	29,167
<b>Total Pupil Personnel Staff</b>	<b>11,958</b>	<b>13,417</b>	<b>(1,458)</b>	<b>22,458</b>	<b>26,833</b>	<b>(4,375)</b>	<b>161,000</b>	<b>138,542</b>
Retirement	271	268	3	490	537	(47)	3,220	2,730
Bonuses	-	-	-	-	-	-	-	-
Social Security	1,076	1,023	52	2,016	2,047	(30)	12,280	10,264
Health Insurance (includes dental, life, etc.)	2,100	2,400	(300)	3,900	4,800	(900)	28,800	24,900
Workers' Compensation	95	150	(55)	189	300	(111)	1,800	1,611
Unemployment Compensation	-	33	(33)	-	67	(67)	400	400
<b>Total Pupil Personnel Services</b>	<b>15,500</b>	<b>17,292</b>	<b>(1,792)</b>	<b>29,054</b>	<b>34,583</b>	<b>(5,529)</b>	<b>207,500</b>	<b>178,446</b>
<b>Staff Development</b>								
Workshop Stipends	-	-	-	-	-	-	-	-
Consulting Services - Compass	-	3,333	(3,333)	-	6,667	(6,667)	40,000	40,000
Travel (workshop registration, lodging, etc.)	-	-	-	-	-	-	-	-
<b>Total Staff Development</b>	<b>-</b>	<b>3,333</b>	<b>(3,333)</b>	<b>-</b>	<b>6,667</b>	<b>(6,667)</b>	<b>40,000</b>	<b>40,000</b>
<b>General Support Services</b>								
<b>Board</b>								
Professional Services	2,753	2,917	(164)	9,447	5,833	3,614	35,000	25,553
Insurance	-	-	-	-	-	-	-	-
Insurance - General Liability	3,284	2,500	784	7,334	5,000	2,334	30,000	22,666
Audit	10,700	1,667	9,033	10,700	3,333	7,367	20,000	9,300
Governance Training	-	-	-	-	-	-	-	-
<b>Total Board</b>	<b>16,737</b>	<b>7,083</b>	<b>9,653</b>	<b>27,481</b>	<b>14,167</b>	<b>13,314</b>	<b>85,000</b>	<b>57,519</b>





**Legion Collegiate Academy**  
**Revenues and Expenses - Budget to Actual**  
**Management Use Only**

**For the Two Months Ended August 31, 2021**

Month of August 2021

YTD

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Annual</u>	<u>Remaining Budget</u>
Vehicle Liability	-	-	-	-	-	-	-	-
<b>Athletics</b>								
Salary	17,662	24,533	(6,872)	35,102	49,067	(13,965)	294,400	259,298
Supplies & Equipment	14,421	14,583	(162)	16,406	29,167	(12,761)	175,000	158,594
Transportation	2,767	2,917	(150)	5,081	5,833	(752)	35,000	29,919
Facility	750	3,333	(2,583)	750	6,667	(5,917)	40,000	39,250
<b>Total Athletics</b>	<b>35,600</b>	<b>45,367</b>	<b>(9,767)</b>	<b>57,339</b>	<b>90,733</b>	<b>(33,395)</b>	<b>544,400</b>	<b>487,061</b>
<b>Total Budgeted Expenditures</b>	<b>381,306</b>	<b>399,832</b>	<b>(18,526)</b>	<b>719,393</b>	<b>799,665</b>	<b>(80,272)</b>	<b>4,797,989</b>	<b>4,078,596</b>
<b>Net Before Construction</b>	<b>(64,128)</b>	<b>14,412</b>	<b>(78,541)</b>	<b>(94,747)</b>	<b>28,825</b>	<b>(123,571)</b>	<b>172,948</b>	<b>267,695</b>
Construction Expenditures	-	-	-	-	-	-	-	-
<b>Balance</b>	<b>(64,128)</b>	<b>14,412</b>	<b>(78,541)</b>	<b>(94,747)</b>	<b>28,825</b>	<b>(123,571)</b>	<b>172,948</b>	<b>267,695</b>

# Cash Summary Report

Balances through September 15, 2021

Legion Collegiate Academy

	<u>April 15 2021</u>	<u>May 14 2021</u>	<u>June 15 2021</u>	<u>July 15 2021</u>	<u>August 15 2021</u>	<u>September 15 2021</u>
<b>CASH IN BANK</b>	<u>1,453,661</u>	<u>1,372,832</u>	<u>1,209,183</u>	<u>1,070,303</u>	<u>1,071,148</u>	<u>1,001,395</u>
<b>Bank Account Details:</b>						
<i>Operating account</i>	1,447,492	1,363,919	1,201,215	1,061,937	1,062,831	989,616
<i>Principal account</i>	<u>6,169</u>	<u>8,913</u>	<u>7,968</u>	<u>8,366</u>	<u>8,317</u>	<u>11,779</u>
<b>TOTAL CASH IN BANK</b>	<u>1,453,661</u>	<u>1,372,832</u>	<u>1,209,183</u>	<u>1,070,303</u>	<u>1,071,148</u>	<u>1,001,395</u>
<b>Days Cash on Hand</b>	<b>110</b>	<b>104</b>	<b>91</b>	<b>81</b>	<b>81</b>	<b>75</b>
<b>Cash balance increase (decrease) over prior month</b>		(80,829)	(163,649)	(138,880)	845	(69,753)

# LEGION COLLEGIATE ACADEMY

## *AUGUST 2021 FINANCIAL SUMMARY*

**Revenue** totaled \$317,000 for the month of August 2021. This compares to budgeted revenue of \$414,000 or \$97,000 under budget. Our budgeted revenue from the State is based on enrollment of 475 students. However, we are receiving funding based on 356 students – which was the enrollment at the time of the “135-day” count last spring. The next funding adjustment will be made after the 45-day count in January 2022. The school will have a revenue shortfall until the funding adjustment is received. Once the adjustment is made, it will bring actual monthly revenue closer to budget since enrollment is currently 450 students. Revenues were short of budget related to CARES Act revenue. CARES Act revenue will be received on a reimbursement basis and no money has been received for the current year.

**Expenses** for August totaled \$381,000. This compares to total budgeted expenses of \$400,000 or \$19,000 under budget. Certain expense line items were over budget as follows:

- Classroom and Instructional Supplies – includes teacher supply payments totaling \$6,000 (each teacher received \$300 to be spent on supplies for their classroom) and \$3,800 for science supplies.
- Textbooks – includes fees for textbooks, e-books and annual license fees totaling \$15,843. These expenses occur at the start of the semester only.
- Audit - \$10,700. This represents payment for one-half of the annual audit fee. The second installment will be paid at the conclusion of the audit.
- Office Services and Supplies – amounted to \$11,488 compared to budget of \$4,167. Supplies were higher than normal due to the start-up and resupply for the new school year.
- Repairs and Maintenance – includes \$2,794 for barrier gates and \$3,297 for air purification system.

**Net Loss** for the month was \$64,000. This compares to budgeted profit of \$14,000 or \$78,000 under budget. Profit will be short of budget until revenues are revised in January 2022 for the current school year enrollment.

**Operating cash balances** as of September 15, 2021 were \$1,001,000 -which is approximately \$69,000 less than the prior month. The decrease in cash is consistent with the loss for the month. This represents 75 days cash on hand.



STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF YORK )

**PROMISSORY NOTE**

**\$1,144,940.33**

WHEREAS, **LEGION COLLEGIATE ACADEMY**, a South Carolina Corporation (“**Maker**” or “**Borrower**”) and **PINNACLE CHARTER SCHOOL MANAGEMENT GROUP LLC**, a Florida Limited Liability Company (“**Holder**”) are both interested in Maker’s success as a recently established charter school; and

WHEREAS, pursuant to the Management Agreement between Maker and Holder, and any amendments, Holder has been charging Maker for Holder’s contracted fees and funds advanced or expenses paid on behalf of Maker, but Holder has not been fully paid by Maker and did not collect on certain invoices and unreimbursed expenses/advances as Maker is in growth mode; and

WHEREAS, Maker intends to pay Holder for these unpaid fees and expenses currently due Holder from Maker, plus any future unpaid fees and expenses due Holder from Maker;

WHEREAS, the unpaid fees and expenses due Holder from Maker as of June 30, 2021 is One Million, One Hundred Forty Four Thousand, Nine Hundred Forty and 33/100ths dollars (**\$1,144,940.33**); and

WHEREAS, there may be additional unpaid fees and expenses due Holder from Maker that will be billed or invoiced by Holder to Maker after the date of this Promissory Note that will increase the amount due and owing by Maker to Holder pursuant to this Promissory Note, and

WHEREAS, this five (5) year Balloon Promissory Note memorializes the debt owed by Maker to Holder.

FOR VALUE RECEIVED, this \_\_\_ day of **September, 2021**, the undersigned, **LEGION COLLEGIATE ACADEMY**, a South Carolina Corporation (“**Maker**”) promises to pay to the order of **PINNACLE CHARTER SCHOOL MANAGEMENT GROUP LLC**, a Florida Limited Liability Company (“**Holder**”) in lawful money of the United States of America, the principal sum of One Million, One Hundred Forty Four Thousand, Nine Hundred Forty and 33/100ths dollars (**\$1,144,940.33**), payable yearly in accordance with the terms hereof.

Payments of principal and accrued interest under this Note shall commence on March 1, 2022 and will be tied to Enrollment at **LEGION COLLEGIATE ACADEMY**, a South Carolina Corporation (“**Maker**”), and will be paid over five (5) years, with the fifth (5<sup>th</sup>) payment being a Balloon Payment of the remainder due and owing at the time, plus any unpaid fees and expenses due Holder from Maker that have been billed or invoiced by Holder to Maker after the date of this Promissory Note that remain outstanding. Nothing herein requires Holder to allow Maker to not pay fees and expenses due Holder from Maker billed or invoiced by Holder to Maker after the date of this Promissory Note, but in the event that Holder allows those future amounts to remain unpaid, they are to be paid no later than the date the Balloon Payment is due (“**Balloon Payment Date**”).

Likewise, nothing herein prohibits Maker from paying Holder prior to the Balloon Payment Date any fees and expenses due Holder from Maker that have been billed or invoiced by Holder to Maker.

Payments of principal and accrued interest under this Note shall be paid according to Enrollment as defined on the 45<sup>th</sup> day, which usually is taken in October of each year, known as the 45-day count (the “**45-Day Count**”), on the following formula:

If the enrollment on the **45-Day Count** is Four Hundred and Fifty (**450**) students or less, then Maker will pay Holder Seventy-Five Thousand and no/100s (**\$75,000.00**) Dollars towards the outstanding debt balance.

If the enrollment on the **45-Day Count** is between Four Hundred and Fifty-One (**451**) students and Five Hundred (**500**) students, then Maker will pay Holder One Hundred Thousand and no/100s (**\$100,000.00**) Dollars towards the outstanding debt balance.

If the enrollment on the **45-Day Count** is between Five Hundred and One (**501**) students and Five Hundred and Fifty (**550**) students, then Maker will pay Holder Two Hundred Thousand and no/100s (**\$200,000.00**) Dollars towards the outstanding debt balance.

If the enrollment on the **45-Day Count** is Five Hundred and Fifty-One (**551**) or more students, then Maker will pay Holder Three Hundred Thousand and no/100s (**\$300,000.00**) Dollars towards the outstanding debt balance.

Annual payments will be due and payable to Pinnacle Charter School Management Group LLC, 1648 Periwinkle Way, Suite D, Sanibel, FL 33957, on or before each of the following dates:

First Annual Payment Date:	March 1, 2022
Second Annual Payment Date:	March 1, 2023
Third Annual Payment Date:	March 1, 2024
Fourth Annual Payment Date:	March 1, 2025
Fifth Annual Payment Date:	March 1, 2026 (“ <b>Balloon Payment Date</b> ”).

The Fifth Annual Payment due on or before March 1, 2026 shall be a final balloon payment of the entire amount of the unpaid balance on the principal sum of One Million, One Hundred Forty Four Thousand, Nine Hundred Forty and 33/100ths dollars (**\$1,144,940.33**) outlined in this Promissory Note, plus any amounts owed on any future amounts added to the balance between the date of this Promissory Note and the Balloon Payment Date,

Interest shall accrue at (0%) on the then principal balance up until the Balloon Payment Date. Any unpaid amounts remaining due and owing after the Balloon Payment Date, including any amounts still due and owing on the principal sum of One Million, One Hundred Forty Four Thousand, Nine Hundred Forty and 33/100ths dollars (**\$1,144,940.33**), and any future amounts added to the balance between the date of this Promissory Note and the Balloon Payment Date, will accrue interest at the rate of Five (5%) per annum, plus any late charges for any overdue payment.

If Maker materially defaults in the performance of or compliance with any of its covenants, obligations and conditions of this Note, then in addition to all other rights and remedies Holder may shall have, said outstanding principal sum, with any and all accrued interest thereon, shall become at once due and payable at the option of Holder and be collectible after ten (10) days' written notice and right to cure. Holder's failure to exercise this remedy shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. In addition, upon the occurrence of an Event of Default, but prior to maturity of this Note, at Holder's option and without accelerating this Note, interest will accrue on the unpaid principal of this Note at a rate per annum ("**Default Rate**") equal to Five (5%) percent. After maturity of this Note, whether by acceleration or otherwise, interest will accrue on the unpaid principal of this Note, any accrued but unpaid interest and Holder's attorney's fees, premiums, charges and costs and expenses owing hereunder at the Default Rate until this Note is paid in full, whether this Note is paid in full pre-judgment or post-judgment.

Events of Default:

If any of the following events of default ("**Events of Default**") occur, this Note and any other obligations of Maker to Holder shall become due immediately, without demand or notice:

- a) the failure of the Maker to pay the principal and any accrued interest when due in accordance with the terms of this Note; or
- b) the filing of a bankruptcy or similar proceeding involving the Maker as debtor; or
- c) the application for the appointment of a receiver for the Maker; or
- d) the making of a general assignment for the benefit of the Maker's creditors; or
- e) the insolvency of the Maker.

If the Holder has not received the full amount of the payment due within 10 calendar days after written notice to Borrower as set forth above, Maker will pay a late charge to the Holder in an amount equal to 2% of any such overdue payment. Maker will pay this late charge promptly but only once per each late payment occurrence.

If any payment is more than ten (10) days late after written notice to Borrower, Maker will be in default. If this Note is placed in the hands of an attorney for collection after the same shall for any reason become due, or if collected by legal proceedings or through the probate or bankruptcy courts, or under foreclosure proceedings under the security agreement securing this Note, or personal guaranty then the Holder shall be entitled to claim all costs, including a reasonable sum for attorney fees.

The Maker expressly agrees to remain and continue bound for the payment of the principal and interest, if applicable, provided for by the terms of this Note notwithstanding any extension or

extensions of the time of, or for the payment of said principal or interest, or any change or changes in the amount or amounts agreed to be paid under and by virtue of the obligation to pay provided for in this Note.

This Note shall be binding upon Maker and its successors and assigns. Prepayment of the note is allowed without penalty or premium. Maker may not transfer or assign any of its rights and obligations under this Note without Holder's prior written consent. This Note is to be governed by and construed in accordance with the internal laws of the State of South Carolina without regard to conflicts of law's provisions.

It is expressly agreed and declared that this Note is given for an actual loan of One Million, One Hundred Forty Four Thousand, Nine Hundred Forty and 33/100ths dollars (**\$1,144,940.33**), and it is possible that there may be additional unpaid fees and expenses due Holder from Maker that have been billed or invoiced by Holder to Maker after the date of this Promissory Note, which unpaid amounts can increase the total loan actual amount, which Maker acknowledges herein.

**[Signature Page Follows]**

IN WITNESS WHEREOF, Maker/Borrower has executed this Note as of the date hereinabove first written.

WITNESSES:

**LEGION COLLEGIATE ACADEMY**, a South Carolina Corporation (Maker/Borrower):

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By: \_\_\_\_\_  
Its: Board Chair and Authorized Representative

**PINNACLE CHARTER SCHOOL MANAGEMENT GROUP LLC**, a Florida Limited Liability Company (Holder/Lender):

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By: Michael P. Miller, CPA  
Its: Authorized Representative

**Legion Collegiate Academy  
Due to Pinnacle  
30-Jun-21**

<b>Balance at July 1, 2021</b>	<b>Agrees to Audit Report</b>	<b>251,694.31</b>
<b>FY2020-21 Activity</b>		
<b>Charges on Pinnacle CC</b>	Microsoft 365 software	945.00
	FedEx delivery charge	52.30
		<u>252,691.61</u>
	Pinnacle-forgive travel expenses	<u>(39,261.05)</u>
<b>Balance at June 30, 2021</b>		<b><u>213,430.56</u></b>

**Detail of Balance Due**

	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
05/21/2018	Rinehart Realty	Deposit for realestate purchase	10,000.00
05/29/2018	Legion Collegiate Academy	BB&T opening deposit-funded by Pinnacle	20,000.00
07/10/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	20,000.00
07/27/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	20,000.00
08/17/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	20,000.00
08/17/2018	Legion Collegiate Academy	Return of real estate deposit on land	(10,000.00)
08/21/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	3,000.00
08/28/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	10,000.00
09/14/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	150,000.00
09/21/2018	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	20,000.00
12/01/2018	The Tuttle Company	Downpayment of land purchase	10,000.00
03/02/2019	TRINITY BIBLE CHURCH	Security Deposit FBO Legion Collegiate Academy	8,479.17
06/03/2019	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	25,000.00
07/03/2019	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	10,000.00
07/12/2019	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	10,000.00
07/25/2019	Legion Collegiate Academy	Checking account deposit FBO LCA-funded by Pinnacle	10,000.00
05/18/2019	SkyWire Technologies and Consulting	downpayment for temporary building installation	10,000.00
08/14/2019	Kay-Twelve LLC	Legion furniture	4,389.84
08/14/2019	Kay-Twelve LLC	Legion furniture	60,336.59
09/01/2019	Kay-Twelve LLC	furniture for Legion	2,430.00
	Microsoft 365 software	School software on Pinnacle credit card	945.00
	FedEx delivery charge	Overnight delivery paid by Pinnacle	52.30
05/01/2018	Public Charter School Alliance of SC	Board training for Legion	5,000.00
05/02/2018	Turner Caudell	legal fees for Legion	600.00
05/02/2018	Turner Caudell	2017 Legal fees for Legion	1,906.30
05/04/2018	SanCap CPA-Accountants	Preparation LCA 501(c)(3) tax exempt application	1,300.00
05/03/2018	United States Treasury	Money order-Form 1023 LCA 501(c)(3) application fee	600.00
05/29/2018	Compuchecks	LCA Checking acct checks-funded by Pinnacle	104.94
08/23/2019	CDI Technologies	Technology equipment paid by Pinnacle	315.07
12/18/2019	SCDHEC-S.C. Dep Health & Environ Control	DHEC Stormwater permit fee FBO Legion	128.13
03/12/2020	Engraving, Awards & Gifts	Custom plaques for GROUNDBREAKING	996.80
04/17/2020	IPROVEN	Contactless thermometers (6) for school	617.94
			<u>426,202.08</u>
	<b>Payments made in FY 2020</b>		<b>(202,518.52)</b>
			<u>(10,253.00)</u>
	<b>Due To Pinnacle - June 30, 2021 - payments made by Pinnacle and Cash deposits to Legion Bank</b>		<b>213,430.56</b>
	<b>Accounts Payable- Pinnacle for Management fees through June 30, 2021</b>		<b><u>931,509.77</u></b>
			<b><u>1,144,940.33</u></b>

**Total Promissory Note Payable**

**1,144,940.33**

	<b>Jun 30, 21</b>
Aco Med Supplies	222.00
APS	710.00
CDI Dallas, LLC	7,958.61
Chester County Treasurer	375.00
Cho Consulting Inc.	2,200.00
City of Rock Hill	3,202.98
CPI Security	4,820.78
Dept. of Administration	90.64
Double B Graphix	56.07
Elrod Digital Photo and Video	153.00
Employers Preferred Insurance	9,788.00
Fisher Scientific	529.82
Frank Bobo's, Inc.	572.00
Gauses Cleaning Services, LLC	3,321.08
Jostens	3,119.43
Kevin King	1,696.96
Marvin Cooke	500.00
Mindy McCarthy	150.00
<b>Pinnacle Charter School Management Group</b>	<b>931,509.77</b>
Public Charter School Alliance of SC	299.00
R2 Slope Solutions	450.00
Robert Carrol	35.79
SC Department of Revenue	1,000.00
Sherietta Lane	1,350.00
South Carolina Dept of Revenue	246.38
Target Market, Inc	2,832.50
Travel Ball Carolinas	1,050.00
Turner Caudell	4,229.74
US Doorways, Inc.	96.61
York County Government-Field Day Park	480.00
York County Natual Gas	64.31
York Electric Cooperative, Inc.	5,768.00
York Technical College	23,531.41
<b>TOTAL</b>	<b><u>1,012,409.88</u></b>