

## **Material Event Notice**

### **Failure to Meet Covenant with Notice of Cure**

November 7, 2018

The loan agreement related to the Company's Series 2015A and Series 2015B bonds require the Company to maintain operating reserves in an amount equal to at least forty (40) days of operating expenses for the Fiscal Year ended June 30, 2018 as evidenced by the Company's audited financial statements for such Fiscal Year. For the Fiscal Year Ended June 30, 2018, the Company was not in compliance with this requirement. Pursuant to Section 5.9 (b) of the loan agreement, the Company has retained an Independent Management Consultant to review and analyze the operations and administration of the Company, inspect the facilities, and perform such other review and analysis as necessary to make recommendations to bring the Company within compliance. Hiring the Independent Management Consultant avoids an event of default as the Company has availed itself of the corrective action prescribed in the loan agreement.

The report from the Independent Management Consultant with recommended action has been filed separately on EMMA.