



EMPOWER COLLEGE PREP | LOAN NOTICE

DATE: April 30, 2020

TO: UMB Bank, Bond Trustee
Orix, Bondholder Representative

FROM: Empower College Prep

RE: Paycheck Protection Program

Please be advised that Empower College Prep (the “Borrower”) submitted an application for and received a loan (the “PPP Loan”) pursuant to the Small Business Administration’s Paycheck Protection Program (“PPP”), authorized under the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). The PPP was implemented to provide stimulus to individuals and businesses impacted by the COVID-19 outbreak. The PPP Loan proceeds may be used to cover payroll costs, mortgage interest, rent, and utility costs for the eight-week period following the issuance of the loan.

The PPP Loan was issued to the Borrower on April 14, 2020 between the Borrower and UMB Bank (“the Lender”) in the maximum aggregate principal amount of \$851,400.00. The PPP Loan will accrue interest at a 1.00% rate and mature on April 14, 2022. The PPP Loan is unsecured and may be prepaid without penalty. The loan is payable in monthly payments of principal and interest in the amount of \$47,922.79 beginning on November 14, 2020.

Under the PPP, the Borrower may apply to Lender for forgiveness of the amount due on the PPP Loan in an amount equal to the sum of the following costs incurred by the Borrower during the eight-week period beginning on the date of first disbursement of loan:

- a. Payroll costs
- b. Any payment of interest on a covered mortgage obligation
- c. Any payment on a covered rent obligation
- d. Any covered utility payment

The amount of loan forgiveness will be calculated (and may be reduced) in accordance with the requirements of the PPP, and relevant provisions of the CARES Act. Not more than 25% of the amount forgiven can be attributable to non-payroll costs.



It is our intention to maximize the forgiveness potential of the PPP Loan, but there can be no assurance that all or a portion of the PPP Loan will be forgiven. The CARES Act and PPP are subject to continuing regulatory guidance and amendments from the Federal Government on an ongoing basis, which may impact the ultimate use and disposition of PPP Loan proceeds.

Brian Holman, Executive Director

Name, Title

Angela Eich, Director of Finance and Operations

Name, Title

Empower College Prep

School Name

Date: April 30, 2020