***Long-Term Indebtedness**.* The Charter School may incur Long-Term Indebtedness on a parity with all other Long-Term Indebtedness (other than Purchase Money Indebtedness described below) if certain conditions contained in the Loan Agreement are satisfied prior to the Charter School incurring such additional Long-Term Indebtedness. The Charter School may incur, if certain conditions are met, Long-Term Indebtedness that refunds any outstanding Series 2019 Bonds or other Long-Term Indebtedness incurred in accordance with the provisions of the Loan Agreement in the future. If any Outstanding Bonds are then rated, the Charter School may only incur Long-Term Indebtedness if the incurrence of such Long-Term Indebtedness will not cause the Rating Agency to lower or withdraw its rating on Outstanding Bonds.

(i) In addition to refunding Long-Term Indebtedness and equipment financing (discussed below), the Charter School will not incur any Long-Term Indebtedness unless the Charter School furnishes to the Trustee: (i) an opinion or report of an Independent certified public accountant selected by the Charter School to the effect that the Charter School's Net Income Available for Debt Service for the Fiscal Year immediately preceding the date on which such Long-Term Indebtedness is to be incurred for which audited financial statements are available totals at least 120% of maximum Principal and Interest Requirements on existing Long-Term Indebtedness of the Charter School (excluding such requirements for the proposed Long-Term Indebtedness and such requirements for any Indebtedness of the Charter School to be 19 refinanced thereby) payable in any Fiscal Year, and (ii) a certificate of the chief financial officer of the Charter School, reviewed by an Independent Consultant, to the effect that Net Income Available for Debt Service for the next Fiscal Year beginning after the Fiscal Year in which any improvements being financed by such proposed Long-Term Indebtedness are to be placed in service, or, if no improvements are to be financed thereby, beginning with the first Fiscal Year after the Fiscal Year in which the proposed Long-Term Indebtedness is to be incurred, will be at least one hundred and twenty-five percent (125%) of the maximum Principal and Interest Requirements on Long-Term Indebtedness (including such requirements for the proposed Long-Term Indebtedness but excluding such requirements for any then outstanding Long-Term Indebtedness or Bonds to be refinanced by the proposed Long-Term Indebtedness) for each Fiscal Year beginning with the second Fiscal Year after the Fiscal Year in which any improvements being financed by such proposed Long-Term Indebtedness are to be placed in service, or, if no improvements are to be financed thereby, beginning with the first Fiscal Year after the Fiscal Year in which the proposed Long-Term Indebtedness is to be incurred, but before the final stated maturity of all then Outstanding Bonds.

Leadership Learning Academy
Debt Service Coverage Ratio

		2023
Change in net assets		$ 547,015
Add-backs:		
	Loss on Disposal of Bonds	
	Interest expense	786,633
	Depreciation	349,353
	Cash available for debt service	1,683,001
Debt service payments:		
	Principal payments	286,593
	Interest payments	787,461
	Total debt service payments	$ 1,074,054
Debt service coverage ratio		1.57
Annual New Debt (Based on $3.5 million - $3 million Project Fund, $260,000 Debt Service Reserve, COI) at 6% for 30 years		256,364
New Debt Service Coverage Based on Covenants		1.27