

SUBLEASE AGREEMENT

By and Between

TULSA COUNTY INDUSTRIAL AUTHORITY,

Sublessor

and

**INDEPENDENT SCHOOL DISTRICT NO. 3,
TULSA COUNTY, OKLAHOMA
(BROKEN ARROW PUBLIC SCHOOLS),**

Sublessee

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THIS SUBLEASE AGREEMENT (this “Sublease”) is made and entered into as of the 1st day of _____, 2021, by and between Tulsa County Industrial Authority, a public trust organized and existing under the laws of the State of Oklahoma (“Sublessor”) and Independent School District No. 3, Tulsa County, Oklahoma (Broken Arrow Public Schools) a School District (the “School District” or “District”) organized and existing under the laws of the State of Oklahoma (“Sublessee”).

RECITALS

WHEREAS, Sublessor has entered into a Bond Indenture dated as of _____ 1, 2021, with BOKF, National Association, Tulsa, Oklahoma, a national banking association, regarding the issuance of Bonds (defined herein) to provide a portion of the funds required for the acquisition, construction, equipping, renovating and remodeling of school buildings, acquiring school furniture, fixtures and equipment and acquiring and improving school sites on which such facilities are to be constructed for the benefit of Sublessee, the payment of capitalized interest on the Bonds, if any, and the payment of the cost of the issuance of the Bonds (the “Project”); and

WHEREAS, Sublessee owns the Real Property (defined herein) on which the Improvements (defined herein) will be placed, and the Indenture (defined herein) anticipates that Sublessee will lease the Real Property to Sublessor pursuant to a Ground Lease (defined herein) to facilitate the issuance of the Bonds and to provide security for payment of the Bonds and performance of the obligations under the Indenture; and

WHEREAS, the Indenture further anticipates that Sublessor will enter into this Sublease with Sublessee wherein the Real Property will be subleased to Sublessee to enable Sublessee to utilize the proceeds of the Bonds for the construction and placement of the Improvements on the Real Property and to provide a mechanism for Sublessee to obtain title to the Improvements, free and clear of the Security Interests (defined herein);

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONDITIONS AND AGREEMENTS WHICH FOLLOW, THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. **Definitions.** All words and terms used in this Sublease and not otherwise defined herein shall have the meaning given them in the Indenture. The following terms as used in this Sublease, shall have the following meanings, unless the context indicates otherwise:

“*Assignment*” means the Assignment of Rents and Leases of even date herewith executed by Sublessor in favor of the Trustee (defined herein), as the same may be amended and/or supplemented from time to time as permitted by the Indenture and any other encumbrance of Sublessor’s interests in this Sublease or the Ground Lease in favor of the Trustee.

“*Board of Education*” means the governing board of the District.

“*Bond Documents*” means, collectively, the Indenture, the Bonds, the Bond Resolution, the Ground Lease, the Assignment, the Continuing Disclosure Agreement, and this Sublease and any other documents executed to secure payment of the Bonds or performance of obligations under the Indenture and all other instruments or agreements executed by Sublessee or Sublessor in connection with the issuance and delivery of the Bonds.

“*Bonds*” means the Issuer’s \$_____ Educational Facilities Lease Revenue Bonds (Broken Arrow Public Schools Project) Series 2021.

“*Bond Counsel*” means the Hilborne & Weidman, A Professional Corporation, Tulsa, Oklahoma.

“*Commencement Date*” means _____ 1, 2021.

“*Continuing Disclosure Agreement*” means the Continuing Disclosure Agreement between Sublessee and Trustee dated as of _____ 1, 2021.

“*Event of Default*” has the meaning set forth in *Section 17* hereof.

“*Financial Advisor*” means Stephen H. McDonald and Associates, Inc., Norman, Oklahoma.

“*Ground Lease*” means the Ground Lease Agreement of even date herewith between Sublessee, as the Lessor, and Sublessor, as the Lessee, and made a part hereof, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof.

“*Improvements*” means all improvements to and constructed on the Real Property and the fixtures and the Personal Property placed on the Real Property for the completion of the new educational facilities for the benefit of Sublessee.

“*Indenture*” means the Bond Indenture of even date herewith between Sublessor and the Trustee, as the same may be amended and/or supplemented from time to time in accordance with the provisions thereof.

“*Leasehold Estate*” means the leasehold estate in the Premises created pursuant to this Sublease.

“*Lien*” means any lien, encumbrance, or charge levied on account of any mechanic's, laborer's, or materialmen's lien, or any security agreement, conditional bill of sale, title retention agreement, chattel mortgage, or otherwise created or permitted that might or does constitute a lien, encumbrance, or charge upon the Improvements or Real Property, or any part thereof, or the income therefrom.

“*Permitted Encumbrances*” means (i) liens, if any, for ad valorem taxes, special assessments, and other charges not then delinquent or for taxes, assessments, and other charges being contested in accordance with the terms of this Sublease, (ii) the Bond Documents and Security Interests, (iii) currently existing utility, access, and other easements and rights of way, restrictions, and

exceptions, (iv) inchoate mechanics' and materialmen's liens that arise by operation of law, but that have not been perfected by the required filing of record, for work done or materials delivered after the date of recording a memorandum of this Sublease, and (v) the Ground Lease.

"Personal Property" means all machinery, equipment, appliances, furniture, and any other personal property of any kind or description and used in connection with the Improvements and by agreement of the parties hereto will not become fixtures under the laws of the State of Oklahoma until the Sublessee has acquired the Improvements from the Sublessor pursuant to Section 3 of this Sublease.

"Premises" means the existing improvements on the Real Property, if any, the Improvements and the Real Property, sometimes referred to herein as the "Leasehold Estate."

"Purchase Price" means the agreed upon purchase price for the Improvements that is more particularly described in Exhibit "C" attached hereto, incorporated herein by reference and made a part hereof.

"Real Property" means the land located in the County of Tulsa, Oklahoma that is more particularly described in Exhibit "A" attached hereto, incorporated by reference and made a part hereof.

"Security Interests" means the security interests of the Trustee granted in the Indenture, the Assignment and any other liens or security interests granted in favor of the Trustee to secure payment of the Bonds and performance of all obligations under the Indenture.

"State" means the State of Oklahoma.

"Term" has the meaning set forth in Section 2 hereof.

"Termination Date" means the date on which the Term ends by termination or expiration of this Sublease.

"Trustee" means BOKF, National Association, Tulsa, Oklahoma, a national banking association, as Trustee under the Indenture, and its successors and assigns in such capacity.

SECTION 2. Lease of Real Property; Term.

(a) *Term.* Sublessor, in consideration of the rents, covenants, agreements, and conditions herein set forth that Sublessee hereby agrees shall be paid, kept, and performed, does hereby sublease unto Sublessee, and Sublessee does hereby accept from Sublessor, the Real Property, together with all existing improvements, if any, and the Improvements now or hereafter located thereon and the appurtenances thereto and all other Improvements hereunder. The term of this Sublease shall commence on the Commencement Date and shall expire on June 30, 2022, unless extended for additional one (1) year terms (the "Annual Term(s)") or earlier terminated as herein provided (the "Term"). So long as Sublessee is not in default under the terms of this

Sublease as of the end of any Term, Sublessee shall have the right and option to extend the terms of this Sublease on the same terms and conditions for ten (10) successive Annual Terms each commencing on July 1st and expiring by June 30th, by affirmative action and ratification of the Board of Education of Sublessee which shall take place no later than thirty (30) days after the expiration of the current Annual Term and by providing written notice to Sublessor and Trustee no less than thirty (30) days after the expiration of the current Annual Term. In the event that Sublessee does not anticipate extending the Term of this Sublease or if its Board of Education fails to approve the extension of the term of this Sublease, it shall provide written notice to Sublessor and Trustee no less than thirty (30) days after the expiration of the current Annual Term.

(b) Termination. Anything contained herein to the contrary notwithstanding, this Sublease shall terminate upon the occurrence of the first of the following events:

- (i) Sublessee's payment of all amounts required to be paid hereunder or the Issuer's payment in full of the Bonds either by their terms or by earlier defeasance or redemption;
- (ii) The termination of this Sublease by Sublessor on the occurrence of an Event of Default as provided in Section 17;
- (iii) The termination or expiration of the Ground Lease; or
- (iv) The failure of Sublessee to extend the Term of this Sublease as provided in Section 2(a).

SECTION 3. Rent; Lease Purchase Acquisition Payments.

(a) Rent. Sublessee shall pay from its general fund or building fund or other legally available moneys to the Sublessor (or to the Trustee on behalf of the Sublessor and for benefit of the Sublessor at the written direction of the Sublessor or the Trustee), as consideration for the sublease of Premises, semi-annual rental payments in accordance with the "Schedule of Semi-Annual Rent Payments" attached hereto as Exhibit "B" and incorporated herein for all purposes (the "Rent"). Sublessee shall pay all Rent on or before the date the same become due and payable in accordance with the Schedule of Payments.

(b) Additional Rent. In addition to the payment of Rent in accordance with the Schedule of Payments, Sublessee shall pay to Sublessor (or to the Trustee on behalf of the Sublessor and for the benefit of the Sublessor at the written direction of the Sublessee or the Trustee), the following (the "Additional Rent") within thirty (30) days of receipt of written itemized invoices for the same from Sublessor or Trustee on behalf of Sublessor:

- (i) Any sums in excess of the Rent for the use of the Improvements necessary for the Sublessor to punctually pay all its obligations in accordance with the terms of the Bond Documents;

(ii) Any sums which the Sublessor shall be obligated to pay pursuant to the terms of the Bond Documents by reason of any default or delay in payment of sums due thereunder, but only if such delay or default results from the default or breach by Sublessee of the terms, conditions and covenants of this Sublease;

(iii) Any sums expended by the Sublessor or Trustee to insure the Premises on Sublessee's failure to maintain insurance in accordance with this Sublease or to otherwise cure any defaults by Sublessee under the Sublease;

(iv) The sum of 1/10 of 1% of the amount of the outstanding principal on the Bonds as of each annual anniversary date of this Sublease to defray administrative costs, and additionally the sum of any pro rata audit costs of Sublessor attributable to the Project, and in addition, the sum of any rebate calculation, rebate determination or rebate payment costs or opinions attributable to the Project, and any fees and expenses of Sublessor attributable to the Project, which payments may be made from interest income derived from accounts or funds created pursuant to the Indenture or from other funds of the Sublessee; and

(v) The sum of the fees and expenses of Trustee as compensation for its services under the Bond Documents, based on a statement for such fees and expenses submitted from time to time by the Trustee to Sublessee, with a copy to Sublessor.

(c) Lease Purchase Acquisition Payments. Sublessee shall pay from its bond fund or other legally available funds to Sublessor the Lease Purchase Acquisition Payments representing the Purchase Price (the "Lease Purchase Acquisition Payments") in accordance with the "Schedule of Lease Purchase Acquisition Payments for Improvements" attached hereto as Exhibit "C" and incorporated herein for all purposes. Prior to Sublessee's payment of the Lease Purchase Acquisition Payments for Improvements, legal title to all Improvements shall be vested in Sublessor. The Improvements are and shall at all times be and remain personal property notwithstanding that the Improvements or any part thereof may be or hereafter become in any manner affixed or attached to or embedded in or permanently rested upon real property or any building thereon or attached in any manner to what is permanent by means of cement, plaster, nails, bolts, screws or otherwise. Upon Sublessee's payment of the Lease Purchase Acquisition Payments, legal title to the Improvements corresponding to a Lease Purchase Acquisition Payment as described on the Schedule of Lease Purchase Acquisition Payments for Improvements shall automatically vest in Sublessee free of the Security Interests, but subject to the remaining Permitted Encumbrances (i), (iii), (v) and (vi). To the extent that legal title to the Improvements does not automatically vest in the Sublessee upon payment of the Lease Purchase Acquisition Payments, within a reasonable period of time after the payment of the Lease Purchase Acquisition Payments by Sublessee, Sublessor agrees to execute and deliver to the Sublessee a deed or bill of sale substantially in the form attached hereto as Exhibit "G" and incorporated herein for all purposes, as appropriate, to convey legal title to the Improvements to the Sublessee. Sublessor further agrees to obtain and deliver to Sublessee within a reasonable period of time after the

payment of the Lease Purchase Acquisition Payments by Sublessee a release(s) of the Security Interests in the Improvements substantially in the form attached hereto as Exhibit “H” and incorporated herein for all purposes, as appropriate, then vested in Sublessee.

(d) Prepayment Option. Throughout the Term of this Sublease, Sublessee shall have the right and option to acquire title to all of the Improvements, free and clear of the Security Interests, and to terminate this Sublease and the Ground Lease on payment in full of all Sublessee’s obligations pursuant to Section 3 hereunder and Issuer’s payment or provision for payment in full of all indebtedness due under the Bond Documents including the principal balance then outstanding on the Bonds, plus all interest accrued or to accrue on such indebtedness through the date of payment of such indebtedness, whether at stated maturity or upon prior redemption, and all other sums due in accordance with the terms of the Indenture. To exercise its right to prepay its obligations hereunder as provided in this Section 3(d), Sublessee shall deliver to the Sublessor and to the Trustee sixty (60) days prior written notice in accordance with Section 20 hereof and Sublessor shall comply with all requirements for the redemption of the Bonds as provided in the Indenture and as required by the Trustee. All sums due from Sublessee under this Sublease and Sublessee’s obligation to pay the same shall not be subject to abatement, deduction, set-off or counterclaim and shall be absolute and unconditional in all events.

SECTION 4. Construction of Improvements.

(a) Construction. On the execution of this Sublease, Sublessee shall promptly commence and complete or cause the completion of the construction, furnishing and equipping of the Improvements in accordance with the “Plans and Specifications for Improvements and Schedule for Completion” as may be prepared at the direction of Sublessee, said Plans and Specifications being incorporated herein for all purposes (the “Plans”) and with any requirements in the Indenture. Sublessee shall pursue completion of construction of the Improvements with diligence and without cessation of work and shall complete the construction of the Improvements (1) in accordance with the spending requirements of Section 1.148-2(e)(2) of the Internal Revenue Service Regulations as follows: (a) Sublessee shall incur within 6 months of the issue date of the Bonds a substantial binding obligation to a third party to expend at least 5 percent of the net sale proceeds of the Bonds on the Improvements; an obligation is not binding if it is subject to contingencies within the Sublessee’s or a related party’s control; (b) at least 85 percent of the net sale proceeds of the issue are allocated to expenditures on the Improvements by the end of the 3-year temporary period; and (c) completion of the Improvements and the allocation of the net sale proceeds of the issue to expenditures proceed with due diligence; and (2) the schedule set forth in the Plans, unless delayed by reason of the occurrence of a Force Majeure event as described in Section 22(r) hereof.

(b) Additional Construction Requirements. The Improvements shall be constructed in a good and workmanlike manner using good grades of materials and an appropriately skilled work force and in accordance with all applicable local, state and Federal legal requirements. Sublessee shall promptly pay for all materials and Personal Property incorporated into or to be used in connection with the Improvements and for related labor costs of all contractors and subcontractors

and keep the Premises free of Liens in accordance with Section 10 hereof. During the course of the construction, Sublessee shall maintain insurance in accordance with Section 7 hereof and provide appropriate security for the job site to avoid damages to or the destruction of the Improvements or personal injury claims arising from the construction of the Improvements. Sublessee shall not materially modify the Plans or construct or cause the construction of the Improvements except substantially in accordance with the Plans without the prior written consent of the Sublessor and the Trustee.

(c) Costs of Construction. The Improvements shall be constructed, furnished and equipped solely at the direction of Sublessee; provided, however, that so long as Sublessee is not in default under the terms of this Sublease, Sublessee shall be entitled to seek payment for the costs of construction, furnishing and equipping of the Improvements from the proceeds of the Bonds pursuant to Section 4.02 of the Indenture by the completion and submission to the Trustee of the "Form of Requisition Certificate" attached hereto as Exhibit "E" and incorporated herein for all purposes (the "Requisition"), which must be executed by Sublessee, along with the documentation referred to in the Requisition and any further documentation or information requested by the Trustee or the Sublessor regarding the construction of the Improvements, including, but not limited to the following:

(i) Progress reports describing the progress of the construction of the Improvements and any problems which could affect the costs or timely completion of the Improvements in accordance with the Plans;

(ii) Copies of invoices verifying the costs of the construction of the Improvements;

(iii) Waivers or releases of mechanics' and materialmen's liens from contractors, subcontractors or suppliers who provide labor or materials for the construction of the Improvements;

(iv) Affidavits of commencement or completion of the Improvements and the payment of all costs in connection with the Improvements; or

(v) As-built plans or surveys on the completion of the construction of the Improvements.

SECTION 5. Maintenance and Operating Expenses.

(a) Maintenance. The Sublessee shall, at its sole cost and expense, maintain, repair and keep in good condition all of the Premises during the Term of this Sublease, ordinary wear and tear excepted. Sublessee shall, at its sole cost and expense, promptly make any and all repairs, ordinary or extraordinary, foreseen or unforeseen, to the Premises as are necessary to maintain the same in good order and repair. On the expiration or earlier termination of this Sublease, Sublessee shall surrender the Premises to Sublessor in good condition, ordinary wear and tear excepted, and

free and clear of any claims of creditors of Sublessee. On execution of this Sublease, the Sublessee accepts the Premises in its current condition, “as is” and “with all faults.”

(b) Operating Expenses. At all times during the Term of this Sublease, the Sublessee shall initiate, contract for, obtain and timely pay for all utilities for the Premises including gas, electricity and telephone service. Sublessee shall also procure, or cause to be procured, at its sole cost and expense, any and all necessary permits, licenses or other authorizations required for the lawful and proper installation and maintenance on the Premises of wires, cables, pipes, conduits, tubes, fiber optics and other equipment and appliances for use in supplying any such utility service to the Improvements on the Premises.

SECTION 6. Taxes and Assessments.

(a) Payment. During the Term of this Sublease, Sublessee shall be required to operate and maintain the Premises only as a public educational facility, and therefore it is anticipated that the Leasehold Estate of Sublessee created by this Sublease will be exempt from ad valorem property taxes. Nothing contained in this Sublease is intended to change the degree to which the interest or estate of Sublessee created in this Sublease is subject to ad valorem property taxes (the “Taxes”); provided, however, to the extent assessed and to the extent permitted by law, Sublessee shall bear and pay to the public officer charged with the collection thereof, before the same shall become delinquent.

(b) Contest. If the imposition of any Taxes shall be deemed by Sublessee or Sublessor to be improper, illegal, or excessive, Sublessee may, in its own name, dispute and contest the same and, in such event and to the extent permitted by law, any such Taxes need not be paid until adjudged to be valid; provided, however, Sublessee shall first notify Sublessor in writing of such dispute and contest and shall comply with the requirements of the Bond Documents and related documents concerning the contest of taxes. Unless so contested, any Taxes shall be paid by Sublessee within the time provided by law, and if contested, any such Taxes shall be paid before the imposition of a lien on the Premises with respect thereto. If Sublessor elects to dispute or contest the imposition of any Taxes in its own name, Sublessee agrees to assist Sublessor in such dispute or contest; provided, however, Sublessee shall solely determine the extent and manner of such assistance.

SECTION 7. Insurance.

(a) Required Coverage. At all times during the Term of this Sublease, Sublessee will provide and keep in force the following insurance, unless self-insured and to the extent permitted by applicable law at its sole cost and expense, (i) fire and extended coverage insurance to the full insurable value thereof for any damages to the Premises; (ii) liability insurance for liability for property damages and personal injuries in any way related to the Premises or Real Property, and (iii) construction liability insurance at all times when demolition, excavation or construction work is in progress on the Premises and any other forms of insurance required by the Indenture. To the extent permitted by applicable law, all required insurance policies must name the Sublessee, the

Sublessor and the Trustee as named insured, be issued by one or more insurance companies duly authorized or admitted to transact business in Oklahoma and approved by Sublessor and the Trustee, provide coverage in amounts approved by Sublessor and the Trustee and have waiver of subrogation provisions acceptable to Sublessor and the Trustee. Insurance shall be maintained with carriers rated at least "A" by A.M. Best.

(b) *Proof of Coverage.* On the execution of this Sublease, on each anniversary date of this Sublease and on request by Sublessor or Trustee, Sublessee must provide the Sublessor and the Trustee with certificates of or original policies of insurance required by this Section 7. If Sublessee fails to keep insurance in full force, Sublessor may, at its option, take out or pay the premiums on the insurance needed to fulfill Sublessee's obligations. On Sublessor's demand, Sublessee must reimburse Sublessor the full amount of any insurance premiums paid by Sublessor.

(c) *Subordination to Bond Documents.* Notwithstanding any provision contained herein to the contrary, the provisions of the Bond Documents and, specifically, Section 3.06 of the Indenture shall control in all respects the receipt, handling and application of any and all insurance proceeds, it being acknowledged and agreed that the Trustee shall have a first and prior security interest therein and will determine whether any insurance proceeds will be applied to redeem Bonds in accordance with Section 3.02 of the Indenture or will be otherwise applied.

SECTION 8. Representations and Covenants.

(a) *Quiet Enjoyment.* Sublessor covenants and agrees that, throughout the Term, Sublessee may peaceably and quietly enjoy the Real Property subject, however, to any applicable zoning and land use restrictions, Permitted Encumbrances, Sublessee's fulfillment of the covenants and agreements contained in this Sublease and to the terms and conditions of the Sublease.

(b) *Environmental Condition.* Sublessee, as the current owner of the Real Property, represents and warrants that the Real Property has not been the site of any activity that would violate any past or present environmental law or regulation of any governmental body or agency having jurisdiction over the Real Property. Specifically, but without limitation, (i) solid waste, petroleum products have not been handled or stored on the Real Property such that they may have leaked or spilled onto the Real Property or contaminated the Real Property, (ii) there is no on-site contamination resulting from activities on the Real Property or adjacent tracts, and (iii) the Real Property contains no substances defined as "hazardous substances", "hazardous materials", or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980; the Hazardous Materials Transportation Act; and the Resources Conversion and Recovery Act.

(c) *Operation as a Public School.* Sublessee covenants and agrees that at all times during the Term of this Sublease it will operate and maintain the Premises as a public educational facility and such uses as are reasonably and customarily attendant to such use, in compliance with all applicable local, state and federal laws including, but not limited to any applicable environmental laws.

(d) Continuing Disclosure Obligations. Sublessee covenants and agrees that at all times during the Term of this Sublease it shall abide by and comply with in all material respects the Continuing Disclosure Agreement included in the Bond Documents, and Sublessee further covenants and agrees that its compliance with the Continuing Disclosure Agreement shall be timely and in conformity with the rules of the Securities and Exchange Commission.

(e) Covenant to Maintain Capacity. Sublessee covenants that during each fiscal year that this Sublease is renewed, the Sublessee shall not issue any other general obligation bonds, where the issuance of such other general obligation bonds during such other fiscal year would preclude the issuance by the Sublessee of any general obligation bonds authorized and anticipated to be issued during such fiscal year for the repayment of any annual amounts due under this Sublease.

(f) Lease Purchase Acquisition Payments. Sublessee covenants and agrees that at all times during the Term of this Sublease shall continue to make its Lease Purchase Acquisition Payments as set forth in attached Exhibit "C", subject to the terms and conditions of this Sublease. Sublessee further covenants and agrees that at all times during the Term of this Sublease that if Sublessee terminates its contract with the Financial Advisor or does not enter into a new contract or renewal of contract with the Financial Advisor or enters into a new contract or agreement with a party acting in a financial advisory capacity to Sublessee that is not the Financial Advisor, Sublessee shall continue to make its Lease Purchase Acquisition Payments as set forth in attached Exhibit "C", subject to the terms and conditions of this Sublease.

SECTION 9. **Title to the Improvements.** Title to all Improvements shall be vested in Sublessor during the Term of this Sublease and upon the Termination Date of this Sublease in accordance with Section 18 hereof, subject to the Sublessee's right to purchase the Improvements in accordance with Section 3(c). Except for Improvements acquired by Sublessee in accordance with Section 3(c), to the extent that legal title to the Improvements does not automatically vest in the Sublessee, the Sublessor agrees to execute and deliver to the Sublessee a deed or bill of sale attached hereto as Exhibit "G" and incorporated herein for all purposes, as appropriate, to convey legal title to the Improvements to the Sublessee on the Termination Date.

SECTION 10. **Liens and Encumbrances.**

(a) No Encumbrances. Except for the Permitted Encumbrances, the Sublessee shall not create or permit to be created any Lien against the Improvements or Real Property. Any Lien against the Improvements or Real Property, other than the Permitted Encumbrances, shall be discharged by the Sublessee. Nothing in this Sublease shall be deemed or construed in any way as constituting the consent or request of Sublessor, express or implied, by inference or otherwise, to the filing of any Lien against the Improvements or Real Property by any contractor, subcontractor, laborer, materialman, architect, engineer, or other person for the performance of any labor or the furnishing of any materials or services for or in connection with the Improvements or any part thereof. Sublessor further agrees to obtain and deliver to Sublessee within a reasonable

period of time after the payment of the Lease Purchase Acquisition Payments by Sublessee a release(s) of the Security Interests in the Improvements attached hereto as Exhibit “H” and incorporated herein for all purposes, as appropriate, then vested in Sublessee.

(b) Right to Contest. Sublessee shall not be required to pay, discharge or remove any Lien so long as the Sublessee contests in good faith such Lien or the validity, applicability or amount thereof by an appropriate legal proceeding which operates to prevent the collection of such amounts and the sale of the Premises or any portion thereof so long as prior to the date on which such Lien would otherwise have become delinquent, the Sublessee shall have given the Sublessor prior written notice of its intent to contest the Lien. Any such contest shall be prosecuted with due diligence, and the Sublessee shall promptly pay (or cause payment of) the amount of such Lien as finally determined, together with all interest and penalties payable in connection therewith.

SECTION 11. Assignment of Lease.

(a) Sublessee Assignments. Sublessee shall not have the right to assign, pledge, sublease or transfer this Sublease or any interest herein or any right or privilege appurtenant hereto or to sublease the Real Property or any portion thereof, unless the written consent of Sublessor is first obtained. Any assignment or transfer for which consent is required but which is nevertheless made without such written consent shall be void ab initio. The foregoing notwithstanding, the following shall not be construed or deemed to be prohibited transfers or assignments by Sublessee pursuant to this Section 11 and shall not require the prior consent of Sublessor (i) any Security Interests or other transfers or assignments to the Trustee pursuant to the Indenture to secure payment of the Bonds and the performance of the obligations under the Indenture, or (ii) any change of control of Sublessee.

(b) Sublessor Assignments. Except for the grant of the Security Interests created pursuant to the Bond Documents, as long as this Sublease is in full force and effect, Sublessor shall not have the right to assign, pledge or transfer this Sublease or any interest herein or any right or privilege appurtenant hereto or to further sublease the Real Property or any portion thereof, unless the written consent of Sublessee and Trustee is first obtained. Any assignment or transfer for which consent is required but which is nevertheless made without such written consent shall be void ab initio. After the occurrence of an Event of Default by Sublessee hereunder, Sublessor shall have the right to assign, pledge or transfer this Sublease or any interest herein or any right or privilege appurtenant hereto or to further sublease the Real Property without the consent of Sublessee.

SECTION 12. Indemnification by Sublessee. TO THE EXTENT PERMITTED BY APPLICABLE LAW, AND NO REPRESENTATION IS MADE THAT APPLICABLE LAW EXISTS ALLOWING FOR INDEMNIFICATION, SUBLESSEE HEREBY RELEASES AND AGREES TO INDEMNIFY AND HOLD HARMLESS SUBLESSOR AND TRUSTEE AND ALL OF ITS OFFICERS, EMPLOYEES, DIRECTORS, AGENTS, AND CONSULTANTS (HEREINAFTER COLLECTIVELY REFERRED TO AS THE “INDEMNITEES”) OF AND FROM ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, LOSSES, COSTS, OR

EXPENSES FOR ANY LOSS INCLUDING BUT NOT LIMITED TO BODILY INJURY (INCLUDING DEATH), PERSONAL INJURY, PROPERTY DAMAGE, EXPENSES, AND REASONABLE ATTORNEYS' FEES, CAUSED BY, GROWING OUT OF, OR OTHERWISE HAPPENING IN CONNECTION WITH THIS SUBLEASE OR DUE TO ANY NEGLIGENT ACT OR OMISSION ON THE PART OF SUBLESSEE, TRUSTEE, THEIR AGENTS, EMPLOYEES, OR OTHERS WORKING AT THE DIRECTION OF SUBLESSEE OR ON ITS BEHALF, OR DUE TO THE APPLICATION OR VIOLATION OF ANY PERTINENT FEDERAL, STATE, OR LOCAL LAW, RULE, OR REGULATION BY SUBLESSEE, TRUSTEE, THEIR AGENTS, EMPLOYEES OR OTHERS WORKING AT THE DIRECTION OF SUBLESSEE OR TRUSTEE. THIS INDEMNIFICATION EXTENDS TO THE SUCCESSORS AND ASSIGNS OF SUBLESSOR AND TRUSTEE, AND THIS INDEMNIFICATION SURVIVES THE EXPIRATION OR TERMINATION OF THIS SUBLEASE AND THE DISSOLUTION OR, TO THE EXTENT ALLOWED BY LAW, THE BANKRUPTCY OF SUBLESSEE.

SECTION 13. Fire and Other Casualties.

(a) Risk of Loss. Sublessee shall bear all risk of loss of damage or destruction to the Premises and all risk of loss for other liabilities related to the Premises arising from any cause other than intentional acts of the Sublessor. Subject to Section 3.03 of the Indenture and to the prior written consent of Sublessor and the Trustee, to the extent that any portion of the Premises are damaged or destroyed, Sublessee shall restore such damaged or destroyed portions of the Premises with due diligence at Sublessee's expense, as nearly as possible to the Premises' value, condition and character immediately before such damage or destruction. Such restoration shall be in accordance with all applicable laws, completed in a good and workmanlike manner and in accordance with plans and specifications therefore approved in writing by Sublessor and Trustee.

(b) No Termination. No total or partial damage to or destruction of any or all of the Premises shall entitle Sublessee to terminate this Sublease, or shall relieve Sublessee from its obligations hereunder, and to the extent permitted by applicable law Sublessee hereby waives any right now or hereafter conferred upon it by statute or otherwise, on account of any such damage or destruction to surrender or terminate this Sublease.

(c) Subordination to Bond Documents. Notwithstanding any provision contained herein to the contrary, the provisions of the Bond Documents and, specifically, Section 3.02 of the Indenture shall control in all respects the receipt, handling and application of any and all insurance proceeds, it being acknowledged and agreed that the Trustee shall have a first and prior security interest therein and shall determine whether such proceeds will be applied for the redemption of the Bonds or the restoration of the Premises. To the extent any insurance proceeds are not used to restore the Premises, they shall be paid to the Trustee to redeem the Bonds in accordance with Section 3.03 of the Indenture.

SECTION 14. Condemnation.

(a) General. The term “condemnation” as used in this Sublease means the taking or appropriation of the Real Property, or any interest therein, in exercise of the power or right of eminent domain or such taking for public or quasi-public use or any state of facts relating to the taking or appropriation of the Real Property which, without an actual taking or appropriation, shall result in direct or consequential damages to the Real Property or the Leasehold Estate herein. Such term shall also be deemed to include to the extent not otherwise defined in this paragraph, a temporary taking of the Real Property or any part thereof or the Improvements for a period of one year or more, and the taking of the Leasehold Estate created herein.

(b) Total Condemnation. If all or substantially all of the Real Property is so condemned, this Sublease shall terminate on the date title to the Real Property vests in the condemnor; provided, however, that such termination shall be without prejudice to the rights of Sublessor and Sublessee to recover just and adequate compensation from any such condemnor and further provided that all sums owing under the Bond Documents are paid in full as set forth in subsection (c)(i) below.

(c) Division of Award - Total Condemnation. Subject to the controlling provisions of the Bond Documents, if the Real Property is totally condemned as provided in subsection (b) above, the condemnation proceeds shall be paid as follows:

(i) Sublessor first shall be entitled to receive such portion of the condemnation proceeds as shall equal the principal balance and accrued interest on and all other sums owing under the Bond Documents which shall be directly paid to the Trustee for the redemption of the Bonds pursuant to Section 3.02 of the Indenture.

(ii) Sublessee shall then be entitled to receive the balance of the condemnation proceeds.

(d) Partial Condemnation. In the event of a taking of less than a total taking as provided in subsection (b) above, this Sublease shall terminate as to the condemned portion of the Real Property on the date title to the condemned portion of the Real Property vests in the condemnor; provided, however, that such termination shall be without prejudice to the rights of Sublessor and Sublessee to recover just and adequate compensation from any such condemnor. The provisions of this Sublease shall remain in full force and effect as to the portion of the Real Property not condemned.

(e) Division of Award - Partial Condemnation. Subject to the controlling provisions of the Bond Documents, if the Real Property is partially condemned as provided in subsection (d) above, the condemnation proceeds shall be paid as follows:

(i) Sublessor first shall be entitled to receive such portion of the condemnation proceeds as shall equal the Trustee's equitable portion of the principal balance and accrued interest on and all other sums owing under the Bond Documents. Such amount shall be directly paid to the Trustee for the redemption of the Bonds pursuant to Section 3.02 of the Indenture.

(ii) Sublessee shall then be entitled to receive the balance of the condemnation proceeds.

(f) Subordination to Bond Documents. Notwithstanding any provision contained herein to the contrary, the provisions of the Bond Documents and, specifically, Section 3.02 of the Indenture shall control in all respects the receipt, handling and application of any and all condemnation proceeds, it being acknowledged and agreed that the Trustee shall have a first and prior security interest therein. All condemnation proceeds shall be paid to the Trustee to redeem Bonds in accordance with Section 3.03 of the Indenture.

SECTION 15. Estoppel Certificates.

(a) Sublessor and Sublessee will execute, acknowledge and deliver to the other promptly upon request, an annual certificate certifying as to the following:

(i) Validity of Lease: That this Sublease is unmodified and in full force and effect (or, if there have been modifications, that this Sublease is in full force and effect, as modified, and stating the modifications);

(ii) Defaults by Sublessee: That no notice has been given by Sublessor to Sublessee of any failure to comply under this Sublease that has not been cured and to the best of its knowledge and belief no Event of Default exists (or, if there has been any notice given or an Event of Default exists, describing the same).

(b) Certificates from Sublessor and Sublessee pertaining to the same matters may be relied upon by any prospective successor Trustee or by any prospective assignee of an interest under this Sublease or by any prospective sublessee as to all or any portion of the Real Property.

SECTION 16. Access to Premises. Sublessor and Trustee, their authorized representatives, agents, employees, and attorneys may, but shall be under no duty to, enter the Premises at reasonable times and hours, upon notification to the Sublessee and during a scheduled time such as not to disrupt educational activities, to inspect the Premises in order to determine whether Sublessee is complying with its undertakings, duties, and obligations under this Sublease, to make such necessary repairs, additions, improvements, changes, or alterations to the Premises as Sublessor or Trustee may elect to make.

SECTION 17. **Events of Default and Remedies.**

(a) *Events of Default Defined.* An “Event of Default” has occurred if (i) Sublessee fails to perform or cause to be performed any term, covenant, condition, or provision hereof or under the Ground Lease, (ii) there is a breach of or material inaccuracy in the representation and warranties of Sublessee, or (iii) Sublessee files a voluntary petition in bankruptcy, and Sublessee fails to correct such default within thirty (30) days after written notice specifying the default is given. In the case of any such default that cannot with due diligence be corrected within such thirty (30) day period, but can be wholly corrected within a period of time not materially detrimental to the rights of Sublessor, it shall not constitute an Event of Default if corrective action is instituted by the Sublessee within the applicable period and diligently pursued until the default is corrected in accordance with and subject to any directions or limitations of time established in writing by the Sublessor and Trustee.

(b) *Sublessor Remedies.* Upon the occurrence of an Event of Default by Sublessee, Sublessor may upon ninety (90) days written notice and opportunity to cure provided to Sublessee and Trustee, with or without additional notice or demand, which are hereby waived by Sublessee, and without limiting the Sublessor’s remedies as a result of the Event of Default, do any of the following:

(i) Terminate this Sublease and the Sublessee’s right to possession to the Premises, subject to any vested right or title of Sublessee in any Improvements acquired pursuant to Section 3(c). In such event, the Sublessor shall be entitled to recover from the Sublessee all damages incurred by the Sublessor by reason of the Event of Default by the Sublessee including, but not limited to, the cost of recovering possession of the Premises, subject to any vested right or title of Sublessee in any Improvements acquired pursuant to Section 3(c) and reasonable attorneys’ fees;

(ii) Maintain the Sublessee’s right to possession and obligation to complete construction of the Improvements, in which case this Sublease shall continue in effect notwithstanding that the Sublessee shall have surrendered, vacated or abandoned the Premises. In such event, the Sublessor shall be entitled to enforce all of its rights and remedies under this Sublease, including the right to recover Rent, Additional Rent and Lease Purchase Acquisition Payments, as they become due;

(iii) Compel specific performance by the Sublessee of its obligations under this Sublease, including specifically, the Sublessee’s obligation to construct the Improvements;
or

(iv) Pursue any other remedy available to the Sublessor under the laws of the State of Oklahoma.

The failure of Sublessor to exercise such rights after one or more Events of Default shall not be a waiver of the rights of Sublessor upon the occurrence of any subsequent Event of Default. In all cases of an Event of Default, the Sublessor agrees to use all reasonable means to mitigate its damages.

SECTION 18. Expiration or Termination. Subject to any vested right or title of Sublessee in any Improvements acquired pursuant to Section 3(c) and the Trustee's rights under the Bond Documents, upon the Termination Date of this Sublease and the Leasehold Estate for any cause, all rights and interests of Sublessee, and all persons whomsoever claiming by, through or under Sublessee shall immediately cease and terminate, and the Premises, including all buildings, improvements, engines, machinery, generators, boilers, furnaces, elevators, fire escapes, and all lifting, lighting, heating, cooling, refrigerating, air conditioning, ventilating, gas, electric and plumbing apparatus, appliances and fixtures, as well as other fixtures attached to or within the Premises, shall thereafter constitute and belong to and be the absolute property of Sublessor or Sublessor's successors and assigns, without further act or conveyance, and without liability to make such compensation to Sublessee or to anyone whomsoever, and free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Sublessee at any time, but subject to the Ground Lease and the Security Interests if the obligations secured thereby have not been satisfied. Sublessee agrees, at the termination of this Sublease, to surrender unto Sublessor, all and singular the Premises and Sublessee's interest in the Leasehold Estate. If the obligations secured by the Security Interests have not been satisfied upon the Termination Date of this Sublease, Sublessee's possession of any Improvements not acquired by Sublessee during the Term of this Sublease as provided in Section 3(c), shall be surrendered to Sublessor on the Termination Date.

SECTION 19. Encumbering Interests in Sublease. Sublessor, and every permitted successor and assign of Sublessor, shall have the right, in addition to any other rights granted in this Sublease, to encumber its interest in this Sublease, under any one or more Assignments of Rents and Leases or similar security instruments in favor of Trustee to secure payment of the Bonds or obligations under the Indenture. In accordance with the foregoing, Sublessee hereby acknowledges Sublessor's encumbrance of its interest in this Sublease pursuant to the Assignment of Rents and Lease to the Trustee which shall secure payment of the Bonds. Sublessor agrees, that anything in this Sublease to the contrary notwithstanding, as long as the Indenture or similar security instruments in favor of Trustee are in force and effect, the following provisions shall apply:

(a) *Consent to Amendment.* There shall be no amendment, change or modification of this Sublease by Sublessor or Sublessee without the prior written consent of the Trustee.

(b) *Notices to Trustee.* Sublessor, upon serving Sublessee with any notice of an Event of Default, failure to comply, or termination, shall simultaneously serve a copy of such notice on the Trustee. If Sublessor shall serve Sublessee with a notice of a failure to comply with any term, covenant, condition, or provision hereof, the Trustee shall then have the same period after service of the notice on it as is given to Sublessee hereunder to remedy or cause to be remedied

such failure, and Sublessor shall accept performances by or at the instigation of any Trustee as if it had been done by Sublessee. Any notice required to be given to any Trustee shall be in accordance with Section 20 hereof.

(c) Curative Rights of Trustee. In addition to the rights granted to the Trustee under subsection (b) of this Section, the Trustee shall have an additional period of ninety (90) days to remedy or cause to be remedied any Event of Default of which it shall receive notice.

(d) Assignment. Sublessor agrees that, in the event of any enforcement of remedies under the Indenture by the Trustee, either by judicial proceedings, under power of sale or otherwise, all right, title and interest encumbered by the Indenture may, without the consent of Sublessor, be assigned to and vested in the Trustee or to such other party as Trustee is entitled to convey such rights and interests.

(e) Agreement Between Sublessor and Trustee. Sublessor, upon request, shall execute, acknowledge, and deliver to the Trustee an agreement, in form reasonably satisfactory to the Trustee and Sublessor, by and among Sublessor, Sublessee, and the Trustee (provided the same has been previously executed by Sublessee and Trustee) agreeing to all of the provisions of this Section.

(f) Limitation on Liability of Trustee. Notwithstanding any other provision of this Sublease, Sublessor agrees that the Trustee shall in no manner or respect whatsoever be (i) liable or responsible for any of Sublessee's obligations or covenants under this Sublease (nor shall any rights of such Trustee be contingent on the satisfaction of such obligations or covenants), or (ii) required to cure any Event of Default; provided, however, that if such Trustee becomes the successor to Sublessor's interests in this Sublease, then such Trustee shall be responsible and liable for all obligations and covenants accruing during such Trustee's tenure as Sublessor's successor. Notwithstanding the foregoing, the liability of a Trustee with respect to its obligations under this Sublease shall be non-recourse as to such Trustee and limited to its interest in the Sublease.

SECTION 20. **Notices.**

(a) All notices, certificates, demands, requests, or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by certified mail, postage prepaid, return receipt requested, or given when dispatched by facsimile transmission, or by personal delivery or overnight courier addressed as follows:

District: Independent School District No. 3,
Tulsa County, Oklahoma
Attention: Dr. Janet Vinson, Superintendent
701 S. Main Street
Broken Arrow, Oklahoma 74012
Tele. No.: (918) 259-5700
Fax No.: (918) 258-0399

Issuer: Tulsa County Industrial Authority
Tulsa County Administration Building
500 S. Denver
Tulsa, Oklahoma 74102
Attn.: Chairman
Tele. No.: (918) 596-5020
Fax No.: (918) 596-4647

Trustee: BOKF, National Association
One Williams Center
Tulsa, Oklahoma 74172
Attention: Christina Hilton
Tele. No.: (918) 588-6728
Fax. No.: (918) 588-6083

(b) Either party hereto may, by notice given to the other, designate any additional or different addresses to which subsequent notices, certificates, demands, requests, or other communications shall be sent.

(c) Notwithstanding anything contained herein to the contrary, any notice required to be given by Sublessor or Sublessee hereunder shall be deemed to have been given and shall be effective as of the date such notice is received or refused reflected on said notice. All notices, certificates, demands, requests, or other communications made by either party to the other which are required or permitted by the provisions of this Sublease shall be in writing.

(d) If Sublessee does not intend to renew its contract or agreement with the Financial Advisor for the next fiscal year, Sublessee shall deliver written notice to the Financial Advisor, Sublessor, and Bond Counsel no less than thirty (30) days before the close of the current fiscal year during which the contract or agreement with the Financial Advisor remains in effect.

SECTION 21. Submission of Matters to Sublessor for Approval. Any matter which must be submitted to and consented to or approved in writing by Sublessor or any matter which must be submitted to Sublessor or Trustee which may become effective if not denied by Sublessor or Trustee, as required under this Sublease, shall be submitted to Sublessor or Trustee (as applicable) by hand or mailed by United States certified or registered mail return receipt requested, to the address of Sublessor and Trustee designated for the giving of notice to Sublessor and Trustee under Section 20 hereof and shall either be approved or rejected by Sublessor and Trustee (as applicable) within thirty (30) days after receipt unless a shorter period of time is expressly stated elsewhere herein. If Sublessor or Trustee should fail so to approve or reject within such thirty (30) day period as provided for herein, Sublessor's or Trustee's approval shall be assumed to have been unconditionally granted and Sublessee shall have the right to proceed on such matter so submitted. Sublessor and Trustee (as applicable) shall inform Sublessee in writing of its rejection or approval of such submitted matter by hand delivery or by United States certified or registered mail, return

receipt requested, to the address of Sublessee designated for the giving of notice to Sublessee in Section 20 hereof. Any review by Sublessor of any matter submitted to Sublessor is for Sublessor's own convenience and purpose only. By undertaking such review, Sublessor does not obtain or have any liability to Sublessee or any other person, including, without limitation, the insurers and lenders of Sublessee.

SECTION 22. **Miscellaneous.**

(a) *No Waiver of Rights.* No failure of Sublessor or Sublessee to exercise any power given to either party hereunder or to insist upon strict compliance by the other party with its undertakings, duties and obligations hereunder, and no custom or practice of the parties hereto at variance with the provisions hereof shall constitute a waiver of either of Sublessor's or Sublessee's right to demand exact compliance with the provisions contained in this Sublease.

(b) *Rights are Cumulative.* All rights, powers, and privileges conferred herein upon both parties hereto shall be cumulative.

(c) *Provisions are Binding Upon Assigns and are Real Covenants.* It is mutually covenanted, understood and agreed by and between the parties hereto, that each of the provisions of this Sublease shall apply to, extend to, be binding upon and inure to the benefit or detriment of not only the parties hereto, but also the legal representatives, successors and assigns of Sublessor and Sublessee hereto, and shall be deemed and treated as real covenants running with the Real Property during the Term. The parties further acknowledge and agree that the Trustee and its successors and assigns shall be deemed third party beneficiaries hereunder. Whenever a reference to the parties hereto is made, such reference shall be deemed to include the legal representatives, successors and assigns of said party, the same as if in each case expressed.

(d) *Applicable Law and Court Proceedings.* This Sublease shall be governed, construed, performed and enforced in accordance with the laws of the State (excluding principles of conflict of law). Any suit, action or proceeding against any party arising out of or relating to this Sublease, any transaction contemplated thereby, or any judgment entered by any court in respect of any thereof may be brought in State District Court located in Tulsa County, Oklahoma, and each party hereby submits to the nonexclusive jurisdiction of such court for the purpose of any such suit, action or proceeding.

(e) *All Genders and Numbers Included.* Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Sublease, it shall equally apply to, extend to, and include the other.

(f) *Invalidity of Provision or Part Thereof.* In the event any provision, or any portion of any provision of this Sublease is held invalid, the other provisions of this Sublease and the remaining portion of said provision, shall not be affected thereby and shall continue in full force and effect.

(g) Time is of the Essence. All time limits stated in this Sublease are of the essence of this Sublease.

(h) Section Captions are to be Disregarded. The captions of the numbered sections of this Sublease are for purposes of identification and convenience only and are to be completely disregarded in construing this Sublease.

(i) Entire Agreement; Amendments. This Sublease, and the Ground Lease described herein, constitute the full, complete and entire agreement between and among the parties hereto. No agent, employee, officer, representative or attorney of the parties hereto has authority to make, or has made, any statement, agreement, representation or contemporaneous agreement, oral or written, in connection herewith modifying, adding to or changing the provisions of this Sublease. No amendment of this Sublease shall be binding unless such amendment shall be in writing, signed by both parties hereto and approved by the Trustee and attached to, incorporated in and by reference made a part of this Sublease.

(j) No Partnership or Agency. Nothing in this Sublease is intended, or shall in any way be construed, so as to create any form of partnership or agency relationship between the parties. The parties hereby expressly disclaim any intention of any kind to create any partnership or agency relationship between themselves. Nothing in this Sublease shall be construed to make either party liable for any of the indebtedness of the other, except as specifically provided herein.

(k) Limitation of Liability. Notwithstanding anything herein to the contrary, the liability of Sublessor hereunder (including, but not limited to any indemnity obligations) under this Sublease shall be non-recourse as to Sublessor and, accordingly, Sublessee's sole source of satisfaction of such obligations shall be limited to Sublessee's interest in the Premises and Real Property except as to any intentional misconduct or violation of law by Sublessor, to the extent permitted by applicable law. Sublessee shall not seek to obtain payment from any person or entity comprising Sublessor or from any assets of Sublessor other than those described herein, notwithstanding the survival of any obligation of Sublessor beyond the Term. No recourse under or upon any obligation, covenant, or agreement contained in this Sublease or for any claim based thereon, or under any judgment obtained against Sublessor or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent hereof, shall be had against any incorporator, director, member, or officer, as such, past, present, or future of Sublessor or any incorporator, director, member, or officer of any successor entity, as such, either directly or through Sublessor or any successor entity, or otherwise, for the payment of any sum that may be due and unpaid by Sublessee under this Sublease.

(l) Recordation of Lease. Sublessor and Sublessee acknowledge and agree that this Sublease may be recorded in the appropriate records of Tulsa County, Oklahoma.

(m) Counterparts. This Sublease may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall

constitute one in the same document. The signature of any party to any counterpart shall be deemed a signature too, and may be appended to, any other counterpart.

(n) Preservation of Tax Exemption. Sublessee has reviewed the Tax Compliance Certificate and covenants to comply with the terms thereof, including but not limited by the provisions thereof regarding the application and investment of Bond proceeds, the use of the Premises, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Compliance Certificate, and shall take any and all action necessary to preserve the federal tax-exempt status of the Bonds. Sublessee shall not take any action with respect to the Premises that would affect the federal tax-exempt status of the Bonds or would otherwise result in a breach of any representations, conditions, or covenants of Sublessee or Sublessor as set forth in the Bond Documents.

(o) No Merger. It is the intent of the parties and they agree that so long as the Assignment, Indenture or any similar security instrument in favor of Trustee to secure payment of the Bonds and the Indenture are in force and effect and unless the Trustee shall otherwise agree in writing, the fee title to the Real Property, Sublessor's leasehold estate created under the Ground Lease and the Leasehold Estate of the Sublessee created under this Sublease shall not merge but shall remain separate and distinct notwithstanding the acquisition of the fee title to the Real Property, the Sublessor's leasehold estate created under the Ground Lease, the Leasehold Estate created under this Sublease and/or the Improvements pursuant to Section 3(c) of the Sublease by Sublessee.

(p) Holding Over by Sublessee. Sublessee shall not use or remain in possession of the Premises after the termination of this Sublease. Any holding over, or continued use or occupancy by Sublessee after the termination of this Sublease, without the written consent of Sublessor and Trustee, shall constitute a month-to-month tenancy, and all expenses, obligations and payments in effect for the immediately preceding month of this Sublease shall apply to the month-to-month tenancy. There shall be no renewal whatsoever of this Sublease by operation of law.

(q) Laws, Rules and Regulations. Sublessor and Sublessee and their respective officers, agents, employees, contractors, licensees and any other person whom they control or have the right to control, shall comply with all present and future laws, ordinances, orders, directives, rules and regulations of the United States of America, the State of Oklahoma, the County of Tulsa, Oklahoma, applicable cities and towns and their respective agencies, departments, authorities and commissions which may either directly or indirectly affect Sublessor or Sublessee or the operations on or in connections with the Premises.

(r) Force Majeure. Neither party shall be held responsible for losses resulting from its non-performance under this Sublease, if fulfillment of any terms or provisions of this Sublease are delayed or prevented by any cause not within the control of the party whose performance is interfered with and which said party is unable to prevent by the exercise of reasonable diligence.

(s) Subordination. This Sublease is subject and subordinate to the Ground Lease and the Security Interests, the leasehold estate or estates thereby created or the real property of which the Premises form a part, and to any and all renewals, modifications, consolidations, replacements and extensions thereof. This Sublease shall terminate on the termination of the Ground Lease.

(t) Indenture. This Sublease shall be subject to all terms and conditions of the Indenture.

Executed as of the date shown on the first page of this Sublease

Exhibits

Exhibit "A" – Legal Description of Real Property

Exhibit "B" – Schedule of Payments

Exhibit "C" – Schedule of Lease Purchase Acquisition Payments for Improvements

Exhibit "D" – Plans and Specifications for Improvements and Schedule for Completion

Exhibit "E" - Form of Requisition Certificate

Exhibit "F" - Combined Schedule of Semi-Annual Rent Payments and Acquisition Payments

Exhibit "G" – Form of Bill of Sale

Exhibit "H" – Form of Release of Security Interest

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SUBLESSEE:

INDEPENDENT SCHOOL DISTRICT NO. 3,
TULSA COUNTY, OKLAHOMA (BROKEN
ARROW PUBLIC SCHOOLS)

By: _____
President

ATTEST:

Clerk

[SEAL]

SUBLESSOR:

TULSA COUNTY INDUSTRIAL AUTHORITY

By: _____
Chairman of Trustees

ATTEST:

Assistant Secretary of Trustees

[SEAL]

STATE OF OKLAHOMA

)

) **SS:**

COUNTY OF TULSA

)

This instrument was acknowledged before me on the 13th day of September, 2021, by Steve Allen, President of the Board of Education of Independent School District No. 3 of Tulsa County, Oklahoma (Broken Arrow Public Schools), an independent school district organized and existing under the laws of the State of Oklahoma, on behalf of said School District.

Notary Public in and for the State of Oklahoma

My commission expires: _____

My commission number: _____

[SEAL]

STATE OF OKLAHOMA

)

) **SS:**

COUNTY OF TULSA

)

This instrument was acknowledged before me on the ____ day of _____, 2021, by _____, Chairman of Trustees of the Tulsa County Industrial Authority, a public trust organized and existing under the laws of the State of Oklahoma, on behalf of the trust.

Notary Public in and for the State of Oklahoma

My commission expires: _____

My commission number: _____

[SEAL]

EXHIBIT "A"

Legal Description of the Real Property

The Leasehold estate of the Issuer under the Lease in the following described real property situated in Tulsa County, Oklahoma, to wit:

1. A tract situated in Section 1, Township 18 North, Range 14 East, Tulsa County, Oklahoma, described as follows:

The North 1134.28 feet of the East 770 feet of the Northeast Quarter, less the North 50 feet and East 60 feet thereof and less beginning 520 feet West and 50 feet South of the Northeast Corner of the Northeast Quarter, thence East 460 feet South, thence 460 feet Northwest, thence 14.14 feet North, thence 405 feet Northwest, thence 35.36 feet West, thence 405 feet Northwest, thence 28.29 feet to the Point of Beginning, containing 17.359 acres more or less.

2. The East 5 Acres of the West 20 Acres, in the Northeast Quarter, Northwest Quarter, less the North 60 feet thereof for roadway, Section 26, Township 18 North, Range 14 East, containing 4.773 acres more or less.

EXHIBIT “B”

Schedule of Semi-Annual Rent Payments

EXHIBIT "C"

Schedule of Lease Purchase Acquisition Payments for Improvements (Purchase Price)

DATE	PURCHASE PRICE	NATURE OF IMPROVEMENTS
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EXHIBIT “D”

Plans and Specifications for Improvements
(On File with the School District)

EXHIBIT “E”

Form of Requisition Certificate
(Submit in Quadruplicate)

BOKF, National Association
One Williams Center
Tulsa, Oklahoma 74172

Corporate Trust Department:

This certificate is provided to you pursuant to Section 4.02 of the Indenture, dated as of _____ 1, 2021 (the “Indenture”), between you as trustee (the “Trustee”) and the Tulsa County Industrial Authority (the “Issuer”), and in accordance with Section 4 of the Sublease Agreement, dated as of _____ 1, 2021 (the “Sublease”), between the Issuer and Independent School District No. 3, Tulsa County, Oklahoma (Broken Arrow Public Schools) (the “School District”). The capitalized terms used in this certificate have the same meanings given such terms in the Indenture and the Sublease.

On behalf of the School District, I, the undersigned representative of the School District, do hereby certify as follows:

(i) Set forth in Attachment 1 hereto are (A) the name and address of each Person to whom payment will be made with the funds received pursuant to this requisition, (B) the amount to be paid to each such Person, (C) the total obligation to be paid to each such Person, the amounts previously paid to each such Person and the unpaid balance for each such Person as of the date of the requisition and (D) the total amount requested under this requisition.

(ii) Each obligation described in clause (i) to be paid with funds from this requisition was properly incurred and is a proper charge against the Improvement Fund under the Indenture and is due and unpaid.

(iii) With respect to each obligation described in clause (i) to be paid with funds from this requisition, there are no vendors', mechanics', or other liens, which should be satisfied or discharged before the payments for such obligations are made, or which will not be discharged before the payments for such obligations are made, or which will not be discharged by such payment.

(iv) The amount remaining in the Improvement Fund after payment of this requisition will be sufficient to pay all remaining Project Costs.

(v) The construction work can be completed in the time shown on the Plans.

(vi) The work performed or materials supplied for which requisition for payment is hereby made is satisfactory to the School District.

(vii) At least eighty-five percent (85%) of the total amounts previously disbursed plus the amount requested by this requisition to be disbursed to pay Project Costs have been and will be used to pay costs described as Project Costs under the Indenture within three years from _____, 2021.

(viii) There are no defaults under or pending claims or actions to terminate the Sublease or Ground Lease, and both the Sublease and Ground Lease are in full force and effect.

You are hereby directed to pay [transfer] the amount of \$_____ (which is the amount requisitioned by clause (i) above) from the Improvement Fund to _____.

INDEPENDENT SCHOOL DISTRICT NO. 3,
TULSA COUNTY, OKLAHOMA (BROKEN
ARROW PUBLIC SCHOOLS)

By: _____
Authorized Representative

Requisition Paid on _____, 20__.

One copy of this Requisition shall be retained by the Trustee, two copies sent to the Issuer and one copy sent to the District.

EXHIBIT“F”

Combined Schedule of Semi-Annual Rent Payments and Acquisition Payments

EXHIBIT "G"

Form of Bill of Sale

See Attached

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

THAT Tulsa County Industrial Authority of Tulsa County, Oklahoma, party of the first part, for and in consideration of the sum of \$_____ in hand paid by Independent School District No. 3, Tulsa County, State of Oklahoma, party of the second part, the receipt whereof is hereby acknowledged, have bargained and sold, and by these presents to grant, bargain, sell, transfer and deliver unto the said party of the second part the following described property, to wit:

TO HAVE AND TO HOLD THE SAME unto the said party of the second part, its heirs, executors, administrators and assigns forever. And said party of the first part does for its heirs, executors, and administrators, covenant with said party of the second part, its executors, administrators and assigns, that Tulsa County Industrial Authority, the lawful owner of the said property hereby sold; that it is free from all encumbrances; that it has good right to sell the same as aforesaid; and that it warrants and will defend the same against the lawful claims and demands of every and all persons whomsoever.

IN WITNESS WHEREOF, Tulsa County Industrial Authority, the said party of the first part, does hereunto set its hand this ____ day of _____, 20____.

TULSA COUNTY INDUSTRIAL AUTHORITY

By: _____
Chairman

ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) **SS:**
COUNTY OF TULSA)

This instrument was acknowledged before me on the ____ day of _____, 20____, by _____, Chairman of Trustees of the Tulsa County Industrial Authority, a public trust organized and existing under the laws of the State of Oklahoma, on behalf of the trust.

Notary Public in and for the State of Oklahoma
My commission expires: _____
My commission number: _____

(SEAL)

EXHIBIT “H”

Form of Release of Security

See attached