

AGREEMENT FOR MASTER LEASE OF SPACE BY COVINGTON INDEPENDENT PUBLIC SCHOOLS FROM CHILDREN'S HOME OF NORTHERN KENTUCKY

This Agreement For Master Lease of Space By Covington Independent Public Schools From Children's Home of Northern Kentucky ("Agreement") is made and entered into between **Children's Home of Northern Kentucky, Inc.**, a Kentucky nonprofit corporation, 200 Home Rd., Covington, KY 41011 (hereinafter designated as "CHNK") and **Covington Independent Public Schools**, a Kentucky school district, organized and existing by virtue of the statutes of the Commonwealth of Kentucky, with principal offices at 25 East 7th Street, Covington, KY 41011 (hereinafter designated as "CIPS").

PRELIMINARY STATEMENT

CHNK owns and operates a residential treatment facility with behavioral health programming in the building(s) described on attached Exhibit A (individually referred to as "Building" and collectively as "Buildings"). CHNK has agreed to lease to CIPS certain classrooms, and related facilities within each Building (the "Leased Premises") for the purpose of holding classes. Subject to the terms and conditions of this Agreement, each Leased Premises shall, during the times specifically leased to CIPS, be treated for purposes of the Agreement as the property of CIPS, and under the authority and control of CIPS, operated by public school employees, and open to all students eligible to attend public schools. For purposes of this Agreement students attending classes or other programs conducted by CIPS within each Leased Premises shall, while attending the class or program, be considered students of CIPS and not students of CHNK.

CHNK provides a full continuum of services to its clients and provides many of the same or similar services to CIPS students. CHNK desires to continue providing such services to CIPS and maintain its exclusivity with services offered.

The parties have reached an understanding for the use of each Leased Premises by CIPS during the period while school is in session on scheduled days during the school year. CIPS will add necessary equipment and furnishing to conduct classes, and CHNK will have the privilege of using such equipment or furnishings at any time during the term of this Agreement that such equipment and furnishings are not used by CIPS. CIPS retains the right to remove such equipment and furnishings upon the termination of this occupancy. It is expected that mutual cooperation between the parties will solve problems encountered in actual operation of this plan.

AGREEMENT

IN CONSIDERATION OF THE FOREGOING AND MUTUAL PROMISES OF THE PARTIES, IT IS AGREED AS FOLLOWS:

1. Designation of Leased Premises. CHNK leases to CIPS, and CIPS leases from CHNK, each Leased Premises, pursuant to the terms and conditions set forth in this Agreement. The classrooms and other facilities to be included in each Leased Premises and the times during

the term of the Agreement that each Leased Premises shall be used by CIPS shall be as determined by CHNK and approved by CIPS. The parties' agreement shall be documented in writing signed by CHNK and CIPS. However, subject to the other terms and conditions of this Agreement, once such classrooms and facilities and periods of use have been determined and approved by the parties, they may not be changed without the written consent of both CHNK and CIPS. Notwithstanding the foregoing, CHNK reserves the right to cancel classes at any Leased Premises at any time in its sole discretion. This agreement is a Master Lease Agreement. The parties acknowledge that additional Leased Premises may be added to or deleted from the terms of this Agreement from time to time during the term of this Agreement by amending Exhibit A in writing. If a new Leased Premises is added to this Agreement, the parties shall separately document in writing the facilities included in such Leased Premises and the use period(s) for such Leased Premises.

2. Use of Leased Premises. CIPS shall occupy and use each Leased Premises only during the agreed times and solely for public education purposes and related purposes. Each Leased Premises shall not be used or occupied for any other purposes without the express written consent of CHNK, which may be withheld in CHNK's sole discretion. Subject to CHNK's obligations contained herein, below, CIPS shall, during the term of this Agreement, comply with all governmental health, safety, sanitary, environmental, zoning, licensing, building and other laws, codes, ordinances, rules, regulations and orders applicable to its use of each Leased Premises and each Building and (if approved by CHNK as provided in Paragraph 13) make all alterations and improvements required to operate each Leased Premises as a public school. CIPS shall comply and shall require its agents, employees, invitees, students, contractors, and subcontractors to comply with all reasonable rules, regulations, and practices adopted by CHNK for the conduct of each Leased Premises and each building. Subject to any specific limitations required by law, CIPS acknowledges and agrees that CHNK may use each Leased Premises for any purpose during such times that such Leased Premises is not used by CIPS under this Agreement. Notwithstanding anything contained in this Agreement to the contrary, CIPS its agents, employees and invitees, including any children in CIPS educational programs shall not interfere with any of CHNK's operations in or about the Building. CIPS acknowledges and agrees that it shall require its agents, employees, and invitees, including any children in CIPS educational programs, to perform any acts (e.g. fire drills, tornado drills, etc.) necessary for CHNK to maintain CHNK's licenses, permits, and certifications. CIPS shall not perform and shall prevent any of its agents, employees, and invitees from performing any act(s) that shall jeopardize any of CHNK's licenses, permits or certifications.

3. Annual Base Rent. CIPS agrees to pay CHNK, as annual Base Rent for the Premises during the initial year of this Agreement, the sum of Two Hundred Eighty-Four Thousand One Hundred Nine 00/100 Dollars (\$284,109.00). The Base Rent shall be paid in advance, without notice, except as otherwise provided herein, in equal quarterly installments. The initial Base Rent installments shall be four (4) quarterly payments of Seventy-One Thousand Twenty-Seven 25/100 Dollars (\$71,027.25), paid in advance on the 1st day of each quarter during the initial year of the Lease Term. Quarterly payments shall begin in July of each year because CHNK operates on a fiscal year. CIPS and CHNK agree that Base Rent of Two Hundred Eighty-Four Thousand One Hundred Nine 00/100 Dollars (\$284,109.00) shall increase by zero % for year two of the lease.

CIPS agrees to pay CHNK, as annual Base Rent for the Premises during the second year of this Agreement, the sum of Two Hundred Eighty-Four Thousand One Hundred Nine 00/100 Dollars (\$284,109.00). The Base Rent shall be paid in advance, without notice, except as otherwise provided herein, in equal quarterly installments. The second year Base Rent installments shall be four (4) quarterly payments of Seventy-One Thousand Twenty-Seven 25/100 Dollars (\$71,027.25), paid in advance on the 1st day of each quarter during the second year of the Lease Term. Quarterly payments shall begin in July of each year because CHNK operates on a fiscal year. CIPS and CHNK agree that second year Base Rent of Two Hundred Eighty-Four Thousand One Hundred Nine 00/100 Dollars (\$284,109) shall increase by zero % for year three of the lease.

CIPS agrees to pay CHNK, as annual Base Rent for the Premises during the third year of this Agreement, the sum of Two Hundred Eighty-Four Thousand One Hundred Nine 00/100 Dollars (\$284,109.00). The Base Rent shall be paid in advance, without notice, except as otherwise provided herein, in equal quarterly installments. The third year Base Rent installments shall be four (4) quarterly payments of Seventy-One Thousand Twenty-Seven 25/100 Dollars (\$71,027.25), paid in advance on the 1st day of each quarter during the third year of the Lease Term. Quarterly payments shall begin in July of each year because CHNK operates on a fiscal year. CIPS and CHNK agree that third year Base Rent of Two Hundred Eighty-Four Thousand One Hundred and Nine 00/100 Dollars (\$284,109.00). shall extend through June 30, 2027, at which time the parties will negotiate a new rate. CHNK will not require a security deposit.

3.A Annual Common Area Maintenance Fee (CAM). The amount billable to CIPS will be based upon the percent (%) of square footage of the Administration building leased to CIPS. Currently, 37.5% of the total administrative building is being leased to CIPS (their portion). CIPS agrees to pay 75% of their portion of the common area maintenance fees per year. CAM fees include the following: utilities, including- (phone, water and sewer and waste removal), landscaping, lawn care, snow removal, maintenance and repair, parking lot maintenance, striping, alarm systems, contracted janitorial services, liability insurance, exterminating services, and maintenance salaries and benefits.

CIPS agrees to pay CHNK, as annual CAM fees for the Premises during the initial year of this Agreement, the sum of Sixty-four Thousand Five Hundred Fifteen 00/100 Dollars (\$64,515.00). The CAM fees shall be paid in advance, without notice, except as otherwise provided herein, in equal quarterly installments. The CAM fee installments shall be four (4) quarterly payments of Sixteen Thousand One Hundred Twenty-Eight 75/100 Dollars (\$16,128.75), paid in advance on the 1st day of each quarter during the initial year of the Lease Term. Quarterly payments shall begin in July of each year because CHNK operates on a fiscal year.

The CAM fees for year two and year three of the lease will be based upon CIPS'S portion, currently 37.5%, of the actual expenses incurred for the prior fiscal year. CIPS will agree to pay 75% of their portion of the common area maintenance fees per year. The new amount will be given by CHNK to CIPS by 6/30/2025 and 6/30/2026, respectively. The CAM fees shall be paid in advance, without notice, except as otherwise provided herein, in equal quarterly installments.

4. **Interruption of Services.** CHNK shall not be liable for any interruption, discontinuance or failure of any utility service furnished to the Premises, except if caused by the gross negligence or willful misconduct of one or more of the CHNK Parties. Any interruption, discontinuance or failure of any utility service furnished to the Premises shall not constitute an eviction (constructive or otherwise), or give CIPS the right to claim any damages against CHNK or any right to withhold, reduce, set off or abate the payment of the annual Rent or any other sum required to be paid to CHNK under the terms of this Agreement; except if caused by the gross negligence or willful misconduct of one or more of the CHNK Parties. “CHNK Parties” means officers, members, employees, agents, contractors, subcontractors, representatives, invitees, and licensees (but in no event any of the CIPS Parties (defined below)).

5. **Cooperation.** The parties recognize that some problems may arise through common use of the Buildings and to some extent through use by CHNK of each Leased Premises either during, prior to or subsequent to the periods specified for use by CIPS. This Agreement does not and cannot purport to cover all contingencies. To the end that such problems and other administrative difficulties may be more readily solved, it is agreed that each party shall by proper resolution or other action specify agents to act on its behalf in connection with such problems. It is agreed that said resolution or other action shall delegate powers to said representatives to the fullest feasible extent in matters pertaining to administration, use and control of each Leased Premises for the purposes of the parties. CIPS shall provide CHNK, in writing the name, address, and phone number of CIPS’s authorized agent for each Leased Premises promptly upon execution of this Agreement.

6. **Term of Agreement.** The term of this Agreement is for three years and shall commence on July 1, 2024 through June 30, 2027. This agreement shall automatically renew for the 2027-2028 school year under the same terms and conditions which are set forth in the Agreement. In each instance of renewals the term during the renewed periods shall be from July 1 through the following June 30th unless either party elects to non-renew this Agreement by providing written notice to the other party given not later than December 1 of each year of the term of this Agreement. Notwithstanding automatic renewal, the termination provisions of this Agreement, and the default provisions of this Agreement shall remain in effect.

7. **On-Site Services Provided By CHNK.** CHNK shall provide as part of this Agreement the following on-site services to students enrolled in CIPS:

- A. Therapist On-Duty Program
- B. Recreation Activities Program
- C. Nursing Services Program

CHNK and CIPS will execute necessary Memoranda of Agreement to enable the delivery of services to students by CHNK, its employees and/or contractors in accordance with applicable

state and federal laws and regulations, including but not limited to laws governing confidentiality, maintenance and release of student information and personal health information.

8. Non-Competition/Exclusivity of Services. All services in this Agreement are provided by CHNK employees or contractors to CIPS and its students when a CIPS student is on CHNK property. This includes, but is not limited, to nursing services, therapy services, etc. Accordingly, CHNK will not permit a competing therapist or provider of any kind to render services on its campus unless:

A. The student already has a prior therapeutic relationship with another service provider and does not wish to change to services at CHNK after being informed of the services available at CHNK; or

B. CHNK staff is at a caseload capacity, and unable to provide assessment and begin services within five (5) school days.

On a quarterly basis, CIPS will provide to the CHNK CEO, aggregate (non-identifying) data showing the total number of CIPS students referred to CHNK, receiving service through CHNK, and receiving service through another therapy provider.

9. Utilities. CHNK shall furnish all heat, gas, power, electricity, sewer, water, and local telephone services reasonably necessary for the use and enjoyment of each Leased Premises during the term of this Agreement. In this regard, CHNK shall maintain each Leased Premises at a reasonably comfortable temperature during all periods of CIPS's use. CIPS shall not use any such utilities in amounts which are excessive under the circumstances. CHNK shall have no liability to CIPS for any interruption in any utility service except such as arises from the gross negligence or willful misconduct of CHNK, its agents or employees.

CHNK shall give CIPS access to tap into CHNK's fiber for CIPS's telephone and internet connectivity.

10. Indemnification. Consistent with Kentucky law, CIPS covenants and agrees to indemnify, defend and save CHNK, its agents and employees harmless from, any cost, expense, loss, damage, liability or claim (including reasonable attorney's fees) which may (a) be incurred by or asserted against CHNK, its agents or employees by reasons of CIPS or CIPS's agents or employees use or occupancy of any Leased Premises or (b) arise out of a breach of this Agreement. CHNK covenants and agrees to indemnify, defend and save CIPS, its Board of Education, Superintendent, its agents and employees harmless from, any cost, expense, liability or claim (including reasonable attorney's fees) which may be incurred by or asserted against CIPS, its agents or employees by reasons of the gross negligence or willful misconduct of CHNK. The provisions of the Paragraph shall not, however, apply to the extent of the cost, expense, liability or claim is covered by insurance carried by either party under the terms of the Agreement or otherwise. This obligation to indemnify, defend, and save harmless shall not arise if the loss, damage, injury, liability, or claim was a result of the claimant party's negligence.

11. **Dangerous Materials.** CIPS shall not keep, have or dispose on each Leased Premises or any Building any article or thing of a dangerous, hazardous, inflammable, or explosive character or which might unreasonably increase the danger of fire on each Leased Premises or any Building or use or dispose of any material on any Leased Premises or Building which would constitute a violation under any state or federal environmental law or regulation.

12. **Maintenance.** All necessary maintenance, repair and replacement of each Building and each Leased Premises including, without limitation the walls, floors, roofs and ceilings and the HVAC, plumbing and electrical systems, shall be the responsibility of CHNK. Maintenance, repair or replacement as is necessary by acts or omission of CIPS, its agents, employees or invitees which shall be CIPS's responsibility at CIPS's expense unless otherwise covered by insurance. CIPS shall maintain the interior of each Leased Premises in a neat and clean condition during all periods each Leased Premises are used by CIPS. Subject to the express obligations of CHNK under the terms of this Agreement, CIPS agrees to accept each Leased Premises designated under this Agreement "as is" and "with all faults" as of the date of such designation without any representation or warranty from CHNK regarding its condition or utility.

13. **Alterations and Improvements.** Any alterations, modifications or improvements to the Building or Leased Premises required by applicable governmental health, safety, sanitary, environmental, zoning and building laws, codes, ordinances, rules, regulations and orders shall be made by CHNK at CHNK's expense, provided however, any such alterations, modifications or improvement which are required solely because of the use of any Leased Premises or Building by CIPS shall be made by CIPS at CIPS's expense. CIPS, without the written consent of CHNK, shall make no alterations or improvements in each Leased Premises and shall not remove any of CHNK's equipment, furnishings or fixtures from any Leased Premises. All alterations and improvements approved in writing by CHNK shall be made at CIPS expense and shall become the property of CHNK upon the termination of this Agreement or upon vacation of each Leased Premises by CIPS unless otherwise agreed in writing between CHNK and CIPS. CIPS shall not allow any construction liens to be asserted against the Building or any Leased Premises as the result of any alteration or improvement made by CIPS. In the event any construction liens are asserted against the Building or any Leased Premises as the result of any alteration or improvement made by CIPS, CIPS shall immediately satisfy any obligations to cause the termination of any said liens.

14. **Insurance: Waiver of Subrogation**

A. CHNK shall keep each Leased Premises insured against loss or damage by fire and those risks covered by "extended coverage": as provided in a Kentucky standard fire insurance policy. CIPS, at CIPS's sole cost, shall obtain and keep in force public liability and property damage insurance, with coverage of not less than One Million Dollars (\$1,000,000.00) on a combined single limit basis, and with companies which are reasonably acceptable to CHNK, as well as any other insurance coverage required by law.

B. All such policies of insurance and any additional policies of insurance carried by either party, by loss payable clauses or riders, shall, where applicable, cover both CHNK and CIPS

as named insured. CIPS shall also keep in force all risk contents/personal property insurance on CIPS's personal property located on each Leased Premises at its full replacement cost.

C. All policies required to be carried by CIPS shall further provide that they shall not be subject to non-renewal or cancellation with less than thirty (30) days prior written notice to CHNK.

D. Each policy of insurance authorized or required of either party under this Agreement shall contain a clause or endorsement under which the insurer waives all right of subrogation against the other party, its agents and employees with respect to losses payable under such policy, and each party hereby waives all right of recovery it might otherwise have against the other party, its agents and employees for any loss or injury which is covered by such a policy of insurance, notwithstanding that such loss or injury may result from the negligence or fault of such other party, its agents or employees.

15. **Destruction of or Damage to Leased Premises.** In the event any Leased Premises is damaged or destroyed by fire, the elements, acts of God, or other casualty, CHNK shall repair the damage with reasonable promptness: provided, however, that in the event the estimated time period necessary to restore such damaged Leased Premises, as reasonably determined by CHNK, will exceed ninety (90) days from the date of the damage, either party shall have the right to terminate this Agreement with respect to the damaged Leased Premises by written notice to the other party. Any such right of termination shall be deemed waived if such notice is not given within thirty (30) days after CHNK notifies CIPS of its determination of the estimated time period for restoration. In the event this Agreement is not so terminated, rent shall abate for the damaged Leased Premises to the extent CIPS is unable to occupy such Leased Premises until such Leased Premises is restored. CIPS shall have no interest in any insurance proceeds received by CHNK on account of any such casualty.

16. **Eminent Domain.** If all or any part of any Leased Premises is taken under the power of eminent domain, this Agreement shall terminate with respect to such Leased Premises on the date CIPS is deprived of possession pursuant to such taking unless the parties shall otherwise agree. The entire compensation awarded in or by reasons of any such taking shall belong to CHNK without any reduction there from for any present or future interest of CIPS, and CIPS hereby assigns to CHNK all of CIPS's right, title and interest in and to any and all such compensation. CIPS shall, however, have the right to claim and recover from the condemning authority but not CHNK, such compensation as may be separately recoverable by CIPS in its own right on account of the cost of moving its business, equipment, signage, and fixtures, interruption of business and other damages available under applicable law. For the purpose of the Paragraph 16, a taking under the power of eminent domain shall include conveyances or deductions made in settlement of or in lieu of condemnation proceedings.

17. **Personal Property.** Any equipment, furnishing or other personal property placed in and upon any Leased Premises by CIPS shall remain the property of CIPS and CIPS shall have the right to remove the same from such Leased Premises at the termination of the Agreement with respect to such Leased Premises, provided, however, any damage to such Leased Premises caused

by such removal shall be repaired by CIPS. Any remaining personal property of CIPS on the Leased Premises after the expiration or termination of this Agreement may be retained by or disposed of, at CIPS's sole cost and expense, in CHNK's discretion. CHNK shall have no liability for any loss or damage to CIPS's personal property except such loss or damage which arises from the use by CHNK of such personal property during the term of this Agreement, or from the gross negligence or willful misconduct of CHNK, its agents, employees, invitees, students, contractors or subcontractors and is not otherwise covered by insurance.

18. Assignment and Sublease. CIPS shall not assign this Agreement, or sublease all or any part of any Leased Premises without the prior written consent of CHNK, which consent may be granted or withheld in CHNK's sole discretion.

19. Use of Facilities. CIPS shall have the right to use the hallways, library, playground areas and other similar facilities located within and adjacent to each Building and owned by CHNK ("Common Facilities") in common with CHNK and its agents, employees, invitees, students, contractors and subcontractors provided such use does not unreasonably interfere with CHNK's use of such areas and facilities. CHNK reserves the right in its absolute discretion to modify, change or alter any Common Facilities at any time.

20. Defaults and Remedies

A. CIPS Default. The occurrence of any one of the following events shall constitute a default of CIPS:

- i. The abandonment of the Premises by CIPS for a period of thirty (30) consecutive days;
- ii. Failure to pay Rent or any other monies due and continuing for a period of ten (10) days after the same is due;
- iii. Failure in the performance of any of CIPS's agreements or obligations in this Agreement;
- iv. Chronic delinquency by CIPS in the payment of Rent, or any other periodic payments required to be paid by CIPS under this Agreement. For the purpose of this Agreement "chronic delinquency" means three or more delinquent payments in one school year.

B. CHNK Default. CHNK is deemed to be in default if they fail to perform or observe any condition or obligation of this Agreement to be performed by CHNK within thirty (30) days following written notice to CHNK of such failure, provided that:

- i. If the nature of such default reasonably requires more than thirty (30) days, CHNK shall not be in default hereunder if CHNK has promptly commenced such cure and is diligently pursuing the same, and;

- ii. If the nature of such default poses an imminent danger to persons or property, then such period of time shall be a reasonable period of time in light of the circumstances.

C. CHNK Remedies. In the event of CIPS default, CHNK has the following remedies:

- i. Subject the opportunity to cure provision in this Agreement, terminate CIPS's right of possession of the Premises, evict CIPS and re-let all or any part of the Premises;
- ii. Cure such event of default for CIPS at CIPS's expense;
- iii. Pursue any other remedy now or hereafter available to CHNK under the law.

D. CIPS Remedies. In the event of CHNK default, CIPS has the following remedies:

- i. Pursue any remedies available to it at law;
- ii. Cure the default on behalf of CHNK, and the reasonable costs of such cure shall be paid to CIPS by CHNK upon written demand.
- iii. Subject to the opportunity to cure provision in this Agreement, vacate the premises and terminate the Agreement.

E. Opportunity to Cure. In the event of a default, the defaulting party shall be given an opportunity to cure the default prior to the non-defaulting party terminating the Agreement. In the event of default by CIPS, CHNK shall provide written notice of the events giving rise to the default and providing CIPS with the opportunity to cure the default within fifteen days (15) of the written notice. In the event of a default by CHNK, CIPS shall provide written notice of the events giving rise to the default and providing CHNK the opportunity to cure the default within fifteen days (15) of the written notice.

If after having being given the opportunity to cure, the defaulting party has not cured the default or taken steps to cure, the other party may terminate this Agreement by giving a written notice of termination, with the notice being provided sixty (60) days prior to the effective termination date set forth in the notice. All obligations shall continue in effect until the effective termination date; thereafter no further obligations shall accrue under this Agreement.

F. Mitigation. Both parties shall mitigate their damages where there has been a termination of the Agreement due to default.

21. Display of Signs. CIPS shall not place any signs outside any Leased Premise or anywhere within the Building without CHNK's prior written consent. However, during any period

that CIPS is using a classroom or other facility for the purposes permitted under this Agreement, CIPS may post a sign (of a size reasonably acceptable to CHNK) in the classroom designating it as a public school classroom.

22. **Surrender of Leased Premises.** At the expiration or termination of this Agreement CIPS shall quit and surrender each Leased Premises in as good of condition as it was at the date of this Agreement, reasonable use and wear and casualty loss expected.

23. **Quiet Enjoyment.** Subject to the provisions of this Agreement, on paying the rent and on performing all of the covenants and agreements to be performed under the provisions of this Agreement CIPS shall peacefully and quietly, have, hold and enjoy each Leased Premises for the specified term without interference by CHNK or anyone claiming under CHNK authority.

24. **Failure to Require Strict Performance.** No failure of CHNK to exercise any power given CHNK under this Agreement, or to insist upon strict compliance by CIPS with its obligation under this Agreement, and no custom or practice of the parties at variance with the terms of this Agreement shall constitute a waiver of either party's right to demand exact compliance with the terms of this Agreement.

25. **Benefit and Obligation.** The benefits of this Agreement shall accrue to, and the burdens of this Agreement shall be the liabilities of the heirs, personal representatives, successors and assigns of CHNK and CIPS.

26. **Notices.** All notices under any provision of this Agreement shall be deemed to be properly served if delivered in writing personally, or sent by first class mail to the address of the party set forth above or to such other address as a party may direct by written notice. Any mailed notice shall be deemed effective upon the day after mailing.

27. **Right to Relocate.** Notwithstanding anything in this Agreement to the contrary, CHNK reserves the right, in its sole discretion, to change the size and/or location of any Leased Premises within any Building by providing to CIPS written notice of the relocation at least sixty (60) days prior to the re-location. In the event of any such change, CIPS shall be responsible for all relocation costs. CHNK may not require CIPS to change the size and/or location of any Leased Premises in any Building more than one time during any two (2) year period, unless the cause for such change is beyond the control of CHNK, as in the case of fire, riot, acts of God, demand of any governmental authority, or because of the requirement of CIPS for such change.

28. **Subordination.** Nothing herein shall empower CIPS to do any act which can, may or shall cloud or encumber CHNK's interest. CIPS's rights are and shall always be subordinate to the lien of any trust, deed, mortgage, or other encumbrance now or hereafter placed upon any Leased Premises by CHNK or its mortgage holders.

29. **Right of Entry.** Subject to all state and federal laws, including but not limited to those protecting students' rights in a free and appropriate education (FAPE), CHNK shall have the right to enter any Leased Premises in a reasonable manner during any time that a class or other

program is being conducted by CIPS in order to contact or remove a student from the class or program or for any emergency reason without the same being considered an eviction or violation of the terms or conditions of this Agreement.

30. Miscellaneous. CIPS shall also pay any license or other fee incident to its operations at each Leased Premises. CIPS shall at all times adhere to the School District's policies and procedures governing students, and student conduct, as well as all applicable state and federal laws governing the education of students in a public school setting. CIPS shall not permit its employees to smoke in any Leased Premises but only in areas designated by CHNK, if any, in each Building.

31. Employees. None of the employees of CIPS shall be considered employees of CHNK, and CIPS is solely responsible for the supervision, management, payment of all salaries, compensation, withholding taxes, unemployment insurance premiums, health and welfare benefits or similar charges associated with the employment of CIPS employees. Likewise, none of the employees or contractors of CHNK shall be considered employees of CIPS. CHNK is solely responsible for the supervision, management, and payment of all salaries, benefits, compensation, unemployment premiums, workers compensation, health and welfare benefits or similar such fringe benefits and charges, and withholding taxes for its employees and/or contractors.

32. Force Majeure. The time within which any of the parties hereto shall be required to perform any act or acts under this Agreement shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse of structures, riot, war, labor disputes, delays or restrictions by governmental bodies, inability to obtain or use necessary materials, or any cause beyond the reasonable control of such party; provided, however, that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay. The provisions of this Paragraph 29 shall not operate to excuse CIPS from prompt payment of any rents or any other payments required by the terms of this Agreement.

33. Accord and Satisfaction. Payments by CIPS hereunder shall be deemed to be payments for the earliest rental payment due and owing under the terms of this Agreement. No endorsement or statement on any check or any letter accompanying any check or payment without prejudice to CHNK shall impair CHNK's right to recover the balance of such rental payment or pursue any other remedy in this Agreement.

34. Legal Expenses. In any enforcement action under this Agreement, each party shall bear their own legal fees and costs, unless otherwise ordered by a Court of Law.

35. Remedies Cumulative. All rights and remedies provided for herein or otherwise at law or in equity are cumulative, and the exercise of one or more rights or remedies by either party shall not preclude or waive its right to the exercise of any or all of the others.

36. Partial Invalidity. Should any paragraph, subparagraph, or provision of this Agreement be declared to be invalid or unenforceable by a court of competent jurisdiction, it shall

not affect the validity or enforceability of the Agreement as a whole or any part thereof, other than the part so declared invalid/unenforceable. The parties shall renegotiate, if possible, the invalid/unenforceable paragraph, subparagraph, or provision in a manner consistent with the original intent.

37. **Applicable Law.** This Agreement shall be interpreted pursuant to the laws of the Commonwealth of Kentucky.

38. **Interpretation.** All provisions hereof are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each paragraph hereof.

39. **Venue of Legal Action.** Any legal action between the parties (except for eviction proceedings) related to this Agreement shall be conducted in courts seated in Kenton County, Kentucky. Each party consents to the jurisdiction of such courts, waives any objection to venue, and waives trial by jury.

40. **No Partnership or Joint Venture.** CHNK shall not in any way or for any purpose become or be deemed to become a partner of or joint venture with CIPS in the conduct of its business by virtue of CHNK's execution of this Agreement or its performance of the terms and provisions hereof.

41. **Exhibits.** All exhibits referred to in and attached to this Agreement are hereby made a part of this Agreement.

42. **Obligations Survive.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the parties, including without limitation the indemnity provisions contained in this Agreement, shall survive the termination of this Agreement. No obligation which survives the term of this Agreement shall give CIPS any possessory interest in any Leased Premises nor have the effect of extending the term of this Agreement.

43. **Authority.** Each party represents and warrants that it has the capacity and authority to enter into this Agreement.

44. **Entire Agreement: Amendment.** This Agreement contains all of the terms and conditions of the agreement of the parties concerning each Leased Premises. This Agreement may be amended only by a written agreement signed by both CHNK and CIPS.

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| _____ | _____ | _____ | _____ |
| CHNK Administrator | Date | CIPS Administrator | Date |
| _____ | _____ | _____ | _____ |

CHNK Representative

Date

CIPS Board President

Date

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