

REID TRADITIONAL SCHOOLS

14841 N. Black Canyon Highway
Phoenix, Arizona 85023

Phone: (623) 478-2344
Fax: (623) 478-2333

www.ReidTraditional.com



ANNUAL BUDGETED OPERATING EXPENSES CERTIFICATE

To: BOKF, NA, as master trustee (the "Master Trustee"), under the Master Indenture of Trust, dated as of June 1, 2016 (the "Master Indenture"), between Reid Traditional Schools, Inc. (the "Obligated Group Representative") and the Other Nonprofit Corporations Listed on Appendix A thereto and the Master Trustee

The undersigned, an Authorized Representative of the Obligated Group Representative, hereby certifies that the budgeted Operating Expenses for each of the Pledged Schools during the Fiscal Year that will commence July 1, 2017_ and will end June 30, 2018__ is:

a.	Painted Rock Academy	\$ 4,677,114
b.	Valley Academy:	\$ 5,669,181
c.	[List any additional Pledged Schools]	\$ _____
	Total	\$ 10,346,295

Based on the above, the Repair and Replacement Fund Annual Deposit for such Fiscal Year is equal to \$_41,385_ (four-tenths of 1 percent (.004) multiplied by the Total listed in the previous paragraph), and the Repair and Replacement Fund Requirement is equal to \$_206,926_ (2 percent (.02) multiplied by the Total listed in the previous paragraph [or such higher or lower amount required as a result of the capital assessment performed in accordance with Section 3.10(d) of the Master Indenture]).

Capitalized terms used but not defined herein have the meanings assigned to such terms in the Master Indenture.

Dated: 8/10/17

REID TRADITIONAL SCHOOLS, INC., an Arizona nonprofit corporation, as
Obligated Group Representative

By: _____

Name: _____

Title: _____

Heidi Mitchell
Heidi Mitchell
CEO