

MASTER FACILITATOR AGREEMENT

THIS MASTER FACILITATOR AGREEMENT (this “Agreement”), dated as of May 14, 2024, is by and between the NORTH CAROLINA STATE BOARD OF EDUCATION (the “Board”), and Banc of America Public Capital Corp. hereinafter known as **CONTRACTOR**.

WITNESSETH:

- WHEREAS,** pursuant to G.S. 115C-240(e), the Board is authorized to fund public school transportation operations and, pursuant to G.S. 115C-249, the replacement of school buses and other vehicles; and
- WHEREAS,** the Board has promulgated criteria by which buses in the statewide fleet are to be replaced in a given year; and
- WHEREAS,** the Board, through the Department of Public Instruction (“DPI”) has identified buses (the “Buses”) for replacement for use by the local boards of education (each, a “LEA”) at an estimated aggregate cost of \$96 million; and
- WHEREAS,** pursuant to G.S. 115C-528, an LEA may purchase or finance the purchase of school buses; and
- WHEREAS,** of the funds appropriated to the Board for the 2023-2024 fiscal year, the North Carolina General Assembly has authorized the Board to use funds for allotments to the LEAs to pay the cost of Bus financing for the first year; and
- WHEREAS,** pursuant to a solicitation for third party financing (NC DPI IFB #24-RQ59413-WS, Requisition No. RQ59413 School Bus Financing), DPI has selected **CONTRACTOR** to provide financing for the replacement Buses; and
- WHEREAS,** each LEA will enter into a Master Replacement Bus Financing Agreement (each, a “Financing Agreement”) with **CONTRACTOR** pursuant to which the LEAs will finance the purchase of the Buses through **CONTRACTOR**, on the terms and conditions as provided therein; and
- WHEREAS,** as buses are accepted, each LEA will submit an Appendix (each, an “Appendix”) to **CONTRACTOR** to facilitate the acquisition of one or more Buses; and
- WHEREAS,** for purposes of financing, the Buses will be considered to be accepted at the time that the Buses are accepted by DPI and the respective LEA; and

NOW, THEREFORE, the Board and **CONTRACTOR** agree:

1. The Board agrees to allocate to the LEAs all necessary funds appropriated by the General Assembly to the LEAs for the acquisition of the Buses acquired pursuant to the Financing Agreements. The Board agrees to direct those funds to **CONTRACTOR** for Installment Payments on behalf of the LEAs pursuant to the Financing Agreements.
2. The Board will collect the Installments Payments from the LEA and will cause the Installment Payments to be paid to **CONTRACTOR**, on the dates and in the amounts set forth “Part 2--Payment Schedule” in the applicable Appendix to each Financing Agreement.
3. In the event that during fiscal years **2024-2025, 2025-2026, or 2026-2027** sufficient funds are not appropriated for the payment of the total of all Installment Payments

required to be paid pursuant to the Financing Agreements, then any LEA under the terms of its respective Financing Agreement, may terminate its Financing Agreement together with each and every one of the Appendices.

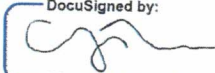
4. The Board further intends and hereby covenants that it will (i) include in its proposed budgets for fiscal years **2024-2025, 2025-2026 or 2026-2027** an appropriation in an amount sufficient to provide for all Installment Payments due and owing for such fiscal years on behalf of the LEAs; (ii) include in such proposed budget and accompanying material submitted for each such fiscal year adequate information and recommendations regarding the purchase of the Buses, the public purposes served, and the Installment Payments required therefor; (iii) do all things lawfully within its power to request the appropriation of all funds anticipated by this Agreement; and (iv) use its best efforts to secure the timely approval and appropriation in the budget for each of the fiscal years of any and all such amounts as may become due under this Agreement.
5. If the Board shall take any official action, or if any other fact or circumstance shall occur, regarding the Board's proposed budget with respect to the total amount of the Installment Payments collected by the Board on behalf of each of the LEAs, or any amended or supplemental appropriation that may be proposed with respect to the Installment Payment that adversely affects the securing of timely approval and appropriation of funds therefor, the Board shall promptly notify **CONTRACTOR** thereof.
6. Pursuant to G.S. 115C-249(f), if any Bus is damaged or destroyed by fire, collision or otherwise, the LEA may apply to the Board for funds with which to replace it. If the Board finds that the Accepted Bus has been destroyed or damaged to the extent that it cannot be made suitable for further use, and if the Board finds that the replacement of the Bus is necessary in order to enable the LEA to operate properly its transportation system, the Board shall allot the LEA from the funds held by it for the replacement of school buses, or from funds hereafter appropriated by the General Assembly of the State of North Carolina for that purpose, a sum sufficient to purchase free and clear a new bus to be used as a replacement for the damaged or destroyed Bus and upon such allocation, such sum shall be paid over to or for the account of the LEA for such purpose. The replacement Bus will be substituted as a security interest for the financing of the damaged or destroyed Bus. Alternatively, the Board may allot to the LEA sufficient funds to fulfill remaining payments due.
7. The State recognizes that **CONTRACTOR** may assign its right to receive payment under this contract only with written permission of the State. In no event does the recognition of assignment of **CONTRACTOR**'s right to receive payments obligate the State to anyone except **CONTRACTOR**. The State merely recognizes financial assignment as a convenience to **CONTRACTOR** and will hold **CONTRACTOR** responsible for fulfillment of all contract obligations.
8. The DPI agrees to coordinate the inspection and acceptance of the Buses by the respective LEAs at the school bus manufacturer vendor's facilities in the state of North Carolina. To the extent possible, Buses will be inspected by the DPI and accepted by one or more LEAs in lots of at least fifty (50). Each LEA will inspect the Buses ordered by it. Upon satisfactory inspection of one or more Buses by the LEA, and approval by the DPI, the respective LEA and the DPI may complete and execute the Form of Acceptance

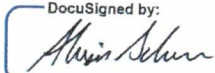
Certificate attached to this Agreement as Exhibit "A". An identical form of the Acceptance Certificate is attached to the Disbursement Request, which is Part 3 of each Financing Agreement. Execution of the Acceptance Certificate constitutes acceptance of the buses for any Master Replacement Bus Financing Agreement. The DPI agrees to transmit any Acceptance Certificate by facsimile or email transfer to **CONTRACTOR** within 72 hours of execution of such Acceptance Certificate. **CONTRACTOR** agrees to transmit by facsimile or email transfer any Payment Schedule within 72 hours of receipt of such Acceptance Certificate.

9. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute one and the same instrument. The Board agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Agreement.
10. This Agreement, the Financing Agreements and related documents ("Related Documents") may be executed and delivered by facsimile signature or other electronic or digital means (including, without limitation, Adobe's Portable Document Format ("PDF")). Any such signature shall be of the same force and effect as an original signature, it being the express intent of the parties to create a valid and legally enforceable contract between them. The exchange and delivery of the Related Documents and the related signature pages via facsimile or as an attachment to electronic mail (including in PDF) shall constitute effective execution and delivery by the parties and may be used by the parties for all purposes. Notwithstanding the foregoing, at the request of either party, the parties hereto agree to exchange inked original replacement signature pages as soon thereafter as reasonably practicable.
11. No waiver by the Board of any term or condition of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Agreement.
12. **CONTRACTOR**, not being a "seller" of the Accepted Buses, as such term is used in the Uniform Commercial Code nor a seller's agent, hereby expressly disclaim, and make no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Accepted Buses, or any other warranty with respect thereto and, as to **CONTRACTOR**, the Accepted Buses will be purchased AS IS. In no event shall **CONTRACTOR** be liable for any loss or damage, including incidental, indirect, special or consequential damage, in connection with or arising out of the existence, furnishing, functioning, or the use of the Accepted Buses by the LEAs.
13. This Agreement may only be revised with the prior written consent of the Board and **CONTRACTOR**, as the third-party financier under each of Financing Agreements.

IN WITNESSETH WHEREOF, we have set our hands unto this Agreement as of the date above written

NORTH CAROLINA STATE BOARD OF EDUCATION

DocuSigned by:

By: 9729375BCC284D9... Catherine Truitt, State Superintendent

DocuSigned by:

By: 176641486C494F4 Alexis Schauss, Chief Financial Officer

BANC OF AMERICA PUBLIC CAPITAL CORP

By: Bridgett Arnold, Authorized Agent
(Name, Title)

Print: Bridgett Arnold, Authorized Agent
(Name, Title)

Date: 5/20/2024