



Odyssey Charter School
Charter School Accountability Committee
Response to Initial Report

ATTACHMENT 14

PROMISSORY NOTE

\$91,487.69

Dated: June 17, 2019

For value received and intending to be legally bound, Ithaka Early Learning Center, Inc., a Delaware corporation (“Ithaka”), promises to pay to the order of Odyssey Charter School, Inc., a Delaware corporation (“Odyssey”), the sum of Ninety-One Thousand Four Hundred Eighty-Seven Dollars and Sixty-Nine Cents (\$91,487.69) (the “Note Amount”) lawful money of the United States of America.

WHEREAS, Odyssey, after discussion and vote at a public meeting, agreed to make expenditures of non-public monies to support the formation and establishment of Ithaka;

WHEREAS, the amount of expenditures made by Odyssey are equal to the Note Amount; and

WHEREAS, Ithaka wishes to take responsibility for the Note Amount.

1. Repayment of Principal and Interest. Beginning on July 1, 2019, or when Ithaka begins to collect revenues based on its operations or from other significant fundraising sources (“significant” being defined as greater than \$50,000.00 in aggregate), whichever is later, and continuing every month thereafter until the Note Amount is fully paid, Ithaka shall begin to pay the Note Amount in monthly installments of \$1,000.00.

If an Event of Default, as defined below, shall occur, interest will begin to accrue at the rate of 9% per annum on the outstanding portion of the Note Amount as of the date of the Event of Default.

2. Events of Default. Subject to the provisions of paragraph 2(f), an “Event of Default” shall exist if any of the following shall have occurred for any reason whatsoever:

(a) Ithaka shall fail to make a timely monthly payment as described in Section 1 above, after thirty (30) days written notice of same;

(b) Ithaka shall fail to perform any other obligation or comply with any other covenant contained in this Note or any representation or warranty contained herein or therein shall prove to have been false or misleading as of the time when made, and any applicable cure period shall have lapsed without cure;

(c) Ithaka shall (i) be generally not paying its debts as they become due, (ii) file, or consent to the filing against it of, a petition for relief under any bankruptcy, reorganization or insolvency laws, (iii) make an assignment for the benefit of creditors, or (iv) consent to the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or other official with similar powers over a substantial part of its property;

(d) A court having jurisdiction over Ithaka shall enter a decree or order for relief in respect thereof in an involuntary case under any bankruptcy, reorganization or insolvency law, or shall appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator or official with similar powers over a substantial part of the property of Ithaka, or shall order the winding-up, liquidation or rehabilitation of the affairs of Ithaka and such order or decree shall continue in effect for a period of 60 consecutive days;

(e) One or more final judgments in excess of \$50,000 in the aggregate shall be rendered against Ithaka and shall remain unsatisfied for a period of 60 days during which period execution of judgment shall not be stayed effectively; or

(f) Notwithstanding the foregoing, a default under subparagraphs (b) through (e) of this paragraph 2 shall not constitute an Event of Default until Odyssey notifies Ithaka of the Default and Ithaka does not cure the Default within thirty (30) days of such notice. The notice must specify the Event of Default, demand that it be remedied, and state that it is a notice of Event of Default.

3. Remedies Upon Default. Upon the occurrence of an Event of Default, the entire unpaid balance of the principal amount of this Note and all other sums owed to Odyssey by Ithaka hereunder, at the option of Odyssey, shall become due and payable immediately, less any payments made by Ithaka. Payment of any such sums may be enforced and recovered in whole or in part at any time by one or more of the remedies provided to Odyssey hereunder or under applicable law. Odyssey shall be entitled to recover from Ithaka all costs of collection and other expenses in connection therewith, including reasonable attorneys' fees, whether or not efforts to collect include the institution or prosecution of an action at law.

4. Prepayment. Ithaka may make prepayment, in full or in part, without penalty.

5. Cumulative Remedies. The remedies of Odyssey as provided herein shall be cumulative and concurrent, and may be pursued singly, successively or together against Ithaka at the sole discretion of Odyssey, and such remedies shall not be exhausted by any exercise thereof but may be exercised as often as occasion therefore shall occur.

6. Waiver and Release of Errors. Ithaka hereby waives presentment, demand, protest and notices and any defense by reason of extension of time for payment or any other indulgence granted by Odyssey and waives and releases all procedural errors, defects and imperfections in any proceedings instituted by Odyssey under the terms of this Note, as well as any benefit that might accrue to Ithaka by virtue of any present or future laws exempting any of the property covered by this Note or any other property, real or personal, or any part of the proceeds arising from any sale of such property, from attachment, levy or sale under execution or providing for any stay of execution, exemption from civil process or extension of time for payment. To the fullest extent permitted by law, Ithaka waives the right to trial by jury in connection with any dispute hereunder.

7. Non-Waiver of Rights. Odyssey shall not by any act of omission or commission be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Odyssey, and then only to the extent specifically set forth therein; a waiver with respect to one event shall not be construed as continuing or as a bar to or waiver of such right or remedy relative to a subsequent event. If any provision of this Note shall be held to be overly broad or otherwise unenforceable by a court of competent jurisdiction, such provision shall be void only to the extent necessary to make it enforceable, and the remaining provisions hereof shall remain effective to their fullest extent permitted by law.

8. Successors and Assigns. This Note may be assigned by, and shall inure to the benefit of the successors and assigns of, Odyssey and shall be binding upon the successors and assigns of Ithaka.

9. Choice of Law and Jurisdiction. This Note shall be construed according to and governed by the substantive law of the State of Delaware, without regard to principles of conflicts of law. By signing this Note, Ithaka submits itself to the exclusive jurisdiction of the Superior Court of Delaware in and for New Castle County, which shall be the exclusive venue for the purposes of enforcing the terms of this Note.

10. Notices. All notice shall be in writing, shall be delivered by facsimile, by hand delivery, commercial overnight delivery service, or mailed by first class mail, postage prepaid, and shall be effective when delivered or when mailed. Any notice hereunder shall be addressed to:

Ithaka:

Ithaka Early Learning Center, Inc.
P.O. Box 201
Montchanin, DE 19710-0201

with a copy to:

Odyssey:

Odyssey Charter School, Inc.
Barley Mill Plaza
4319 Lancaster Avenue
Wilmington, Delaware 19805

with a copy to:

James D. Taylor, Jr., Esquire
Saul Ewing Arnstein & Lehr LLP
P.O. Box 1266
Wilmington, Delaware 19801

11. Miscellaneous:

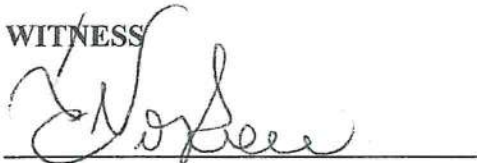
(a) Number and Gender. In the event that Ithaka consists of more than one person or entity, the obligations and liabilities hereunder of each such person or entity shall be joint and several and the word "Ithaka" shall mean all or some or any of them. For the purpose of this Note, the singular shall be deemed to include the plural and the neuter shall be deemed to include the masculine and feminine, as the context may require.

(b) Captions. The captions preceding the text of the sections of the Note are used solely for convenience of reference and shall not affect the meaning or construction of this Note.

(c) Partial Invalidity. The unenforceability or invalidity of any one or more provisions, clauses, sentences, and or paragraphs hereof shall not render any other provisions, clauses, sentences and/or paragraphs herein contained unenforceable or invalid.

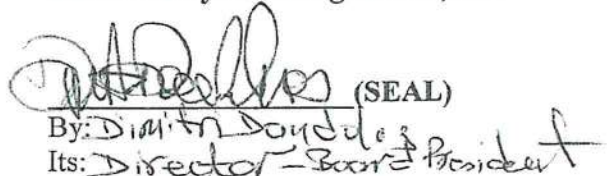
IN WITNESS WHEREOF, Borrowers have duly executed this Promissory Note the day and year set forth above.

WITNESS



A handwritten signature in cursive script, appearing to read "Taylor", written over a horizontal line.

Ithaka Early Learning Center, Inc.



A handwritten signature in cursive script, appearing to read "Dimitri Dondos", written over a horizontal line. To the right of the signature is a circular stamp with the word "SEAL" inside. Below the signature, the text "By: Dimitri Dondos" and "Its: Director - Board President" is written in cursive.