

PRIVATE PLACEMENT AGREEMENT

\$5,250,000

TEXAS PUBLIC FINANCE AUTHORITY CHARTER SCHOOL FINANCE CORPORATION TAXABLE EDUCATION REVENUE BONDS (A.W. BROWN-FELLOWSHIP LEADERSHIP ACADEMY) SERIES 2011Q (QUALIFIED SCHOOL CONSTRUCTION BONDS-DIRECT PAY)

THIS PRIVATE PLACEMENT AGREEMENT, dated February 10, 2011 (this “**Agreement**”), is by and among the **TEXAS PUBLIC FINANCE AUTHORITY CHARTER SCHOOL FINANCE CORPORATION**, a nonprofit corporation created by the State of Texas pursuant to Chapter 53 of the Texas Education Code, as amended (the “**Issuer**”), **REGIONS BANK**, an Alabama state banking association, (the “**Bond Purchaser**”), and **A.W. BROWN-FELLOWSHIP LEADERSHIP ACADEMY**, a Texas not for profit corporation (the “**Company**” or “**A.W. Brown Fellowship Charter School**”).

1. Background.

(a) The Issuer and the Company propose to enter into a Loan Agreement, dated as of March 1, 2011 (the “**Loan Agreement**”), pursuant to which the Issuer will lend to the Company the proceeds of \$5,250,000 initial principal amount of its Taxable Education Revenue Bonds (A.W. Brown-Fellowship Leadership Academy) Series 2011Q (Qualified School Construction Bonds – Direct Pay) (the “**Bonds**”) for the purpose of (i) financing, refinancing and reimbursing the costs of construction (the “**Project**”) as described in the Agreement and (ii) paying costs of issuance of the Bonds. The Issuer will issue and sell the Bonds to the Bond Purchaser. The Bonds will contain the terms and provisions as are set forth in the Indenture referred to below, which terms and provisions have been approved by the Company. All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Indenture.

(b) In order to induce the Issuer and the Bond Purchaser to enter into this Agreement and to sell and purchase the Bonds respectively, the Company has joined in this Agreement. The Company acknowledges that the Issuer will sell the Bonds to the Bond Purchaser and the Bond Purchaser is purchasing in reliance upon the representations, covenants and indemnities herein set forth.

(c) The Bonds will be issued under a Trust Indenture and Security Agreement, dated as of March 1, 2011 (the “**Indenture**”), between the Issuer and Regions Bank, as trustee (the “**Trustee**”), pursuant to a resolution adopted by the Issuer on July 7, 2010 and ratified on December 10, 2010 (the “**Resolution**”). The Bonds will be payable out of the amounts payable by the Company under the Loan Agreement and a promissory note of the Company dated the date of the Bonds (the “**Promissory Note**”). The Issuer’s interest in the Loan Agreement and the payments thereunder (except certain rights of the Issuer to receive fees and expenses and indemnity thereunder) and under the Promissory Note will be assigned by the Issuer to the Trustee as security for payment of the principal of and

interest on the Bonds. The Company has executed a Master Trust Indenture and Security Agreement with Regions Bank, as trustee (the “**Master Trustee**”), dated as of March 1, 2011, as amended by a Master Indenture Supplement No. 1 dated as of March 1, 2011, and as further amended and supplemented in the future (together, the “**Master Indenture**”) to secure payment of the Company’s obligations issued pursuant to the terms of the Master Indenture, including but not limited to, the Promissory Note.

2. Purchase, Sale and Closing.

(a) Upon the terms and conditions and upon the basis of the representations herein set forth, the Bond Purchaser agrees to purchase from the Issuer, and the Issuer agrees to sell to the Bond Purchaser, all but not less than all of the Bonds for a purchase price of 100% of the initial principal amount thereof. The purchase price of the Bonds shall be payable in immediately available funds to the order of the Trustee for the account of the Issuer. Closing of the sale (“**Closing**”) will be at location and time mutually acceptable to the Purchaser and the Company. The Bonds will be in fully registered form in the aggregate principal amount of \$5,250,000. An initial bond in the amount of \$5,250,000 shall be registered in the name of Regions Bank. Such Bonds will be made available to the Bond Purchaser for inspection no less than one Business Day prior to Closing.

(b) Each of the Bond Purchaser, the Issuer and the Company acknowledge that no official statement or other disclosure or offering document has been prepared in connection with the issuance and sale of the Bonds. The Bond Purchaser represents that it is a sophisticated investor with such knowledge and experience in financial and business matters that it is capable of, evaluating the merits and risks of purchasing the Bonds. The Bond Purchaser is familiar with the financial condition and affairs of the Company, particularly with respect to its ability to pay its debt obligations such as the Promissory Note and the Bonds. The Bond Purchaser has received from the Company all information that it has requested in order for it to assess and evaluate the security and source of payment for the Bonds. The Bond Purchaser is purchasing the Bonds for its own account as evidence of a loan to the Company and has no present intention to sell or otherwise distribute the Bonds it has purchased.

(c) The Bond Purchaser agrees that it will not, acting either as principal or agent, offer, offer for sale, offer to sell the Bonds it has purchased except to an institutional investor which the Bond Purchaser reasonably believes (i) is an accredited investor (as defined in Regulation D under the Securities Act, or a qualified institutional buyer (as defined in Rule 144A under the Securities Act), or a fiduciary or agent purchasing the Bonds for the account of one or more accredited investors or qualified institutional buyers in accordance with the provisions of the Indenture, and (ii) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of investing in the Bonds or is represented by a fiduciary or agent with sole investment discretion having such knowledge or experience. The Bond Purchaser agrees it will not sell its Bonds to persons who are not sophisticated investors unless an official statement or other disclosure document is prepared.

(d) It is understood and agreed that the Bond Purchaser is purchasing the Bonds and participating in the financing as a private placement between the Company and the Bond Purchaser. As a result of the private placement nature of the financing, without present intent to redistribute, the placement is exempt from the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”); consequently neither the Issuer, the Company, nor any other obligated party with respect to the Bonds has undertaken to make any on-going disclosures in accordance with the Rule.

3. Issuer’s Representations. The Issuer makes the following representations as of the date of this Agreement, all of which will survive the purchase of the Bonds:

(a) The Issuer is a public nonprofit corporation organized under the laws of the State of Texas and existing pursuant to Chapter 53 Texas Education Code, as amended (the “Act”)

(b) The Issuer has the requisite power and authority to issue and sell the Bonds as provided in the Indenture and to execute, deliver and perform its obligations under the Loan Agreement, the Indenture and this Agreement and to assign its interest in the Promissory Note to the Trustee.

(c) The Issuer has duly adopted the Resolution, which is in full force and effect in the form adopted, has duly authorized the execution and delivery of the Indenture, the Loan Agreement, and this Agreement, the issuance and sale of the Bonds and all actions necessary or appropriate to carry out the same and the performance thereof or hereof, will not conflict with or constitute a breach of or default under any instrument or agreement to which the Issuer is a party or by which it or any of its properties may be bound. The Issuer has no property or taxing authority.

(d) This Agreement has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation of the Issuer, enforceable in accordance with its terms, subject to equitable principles and federal and state laws affecting the enforcement of creditors’ rights generally. The Loan Agreement, the Indenture and this Agreement when executed and delivered by the Issuer, will constitute valid and binding instruments of the Issuer, enforceable against the Issuer in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and similar laws of general applicability relating to or affecting creditors’ rights and to general equitable principles.

(e) When delivered to and paid for by the Bond Purchaser in accordance with the terms of this Agreement and duly authenticated by the Trustee and registered by the Comptroller of Public Accounts of the State of Texas, as provided in the Indenture, the Bonds will have been duly authorized, executed, authenticated or registered, as applicable, issued and delivered, and will constitute a legal, valid and binding limited recourse obligation of the Issuer, enforceable in accordance with its terms, subject to equitable principles and federal and state laws affecting the enforcement of creditors’ rights generally and the Bonds will be entitled to the benefits of the Indenture.

(f) At the time of Closing, all approvals, authorizations, consents, filings, registrations and actions required under the laws of the State of Texas, including the Act, in connection with the issuance and sale of the Bonds and the execution and delivery by the Issuer of, or the performance by the Issuer of its obligations under this Agreement, the Bonds, the Loan Agreement and the Indenture will have been obtained and taken.

(g) There is no litigation or proceeding pending, to the Issuer's knowledge, threatened against the Issuer, challenging the validity of the Loan Agreement, the Indenture, the Resolution, the Bonds or this Agreement or seeking to enjoin the performance of the Issuer's obligations thereunder or hereunder.

4. Company's Representations. The Company makes the following representations as of the date of this Agreement, all of which will survive the purchase of the Bonds:

(a) The Company is a non-profit corporation duly organized and validly existing in good standing under the laws of the State of Texas; and the Company has full power and authority to own its properties, to borrow funds and to conduct its business and to design, construct and own the Project as described in the Loan Agreement. The Company has been duly qualified for the transaction of business and is in good standing under the laws of Texas, which is the only jurisdiction in which the failure to be so qualified would have a material adverse effect on (i) the business, operations or financial condition of the Company, (ii) the ability of the Company to perform any of its obligations under the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement, including, without limitation, the Company's ability to make timely payments under the Loan Agreement and the Promissory Note, or (iii) the validity or enforceability of the Loan Agreement, the Master Indenture and the Promissory Note;

(b) The Promissory Note has been duly authorized and, when executed and delivered to the Issuer and endorsed to the Trustee, the Promissory Note will have been duly executed and delivered and will constitute a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms (subject to bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles); this Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles; the Loan Agreement and the Master Indenture have been duly authorized by the Company and, when executed and delivered by the Company and the other parties thereto, will constitute valid and legally binding instruments of the Company, enforceable against the Company in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles;

(c) The compliance by the Company with all of the provisions of the Loan Agreement, the Promissory Note, the Master Indenture and this Agreement and the

consummation by the Company of the transactions herein and therein contemplated do not and will not result in (i) a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, sale/leaseback agreement, loan agreement or other similar financing agreement or instrument or other agreement or instrument to which the Company is a party or by which any of the property or assets of the Company is subject, or (ii) any violation of the provisions of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties, which breach, default or violation under clause (i) above or violation under clause (ii) above would, individually or in the aggregate, have a material adverse effect on (A) the business, operations or financial condition of the Company, (B) the ability of the Company to perform any of its obligations under the Loan Agreement, the Promissory Note, the Master Indenture, this Agreement, including, without limitation, the Company's ability to make timely payments under the Loan Agreement and the Promissory Note, or (C) the validity or enforceability of the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement;

(d) The Company has good and indefeasible title in fee simple to all real property and good and indefeasible title to all personal property owned by it including but not limited to the Project (as more particularly described in Exhibit A to the Loan Agreement), in each case free and clear of all liens, encumbrances and defects, except (i) such as are permitted under the Loan Agreement and the Master Indenture, or (ii) such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company; and any real property and buildings held under lease by the Company are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company;

(e) There are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which have a reasonable possibility of being adversely determined and, if determined adversely to the Company, would individually or in the aggregate have a material adverse effect on (i) the business, operations or financial condition of the Company, (ii) the ability of the Company to perform any of its obligations under the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement, including, without limitation, the Company's ability to make timely payments under the Loan Agreement and the Promissory Note, or (iii) the validity or enforceability of the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement; and, to the best of its knowledge, no such proceedings are threatened by governmental authorities or threatened by others;

(f) The Company has all licenses, franchises, permits, authorizations, approvals and orders and other concessions of and from all governmental regulatory officials and bodies that are necessary to own or lease its properties and to conduct its businesses as presently conducted, and as proposed to be conducted in relation to the Project, except for (i) such licenses, franchises, permits, authorizations, approvals, orders

and concessions the failure to obtain which will not have a material adverse effect on (A) the business, operations or financial condition of the Company, (B) the ability of the Company to perform any of its obligations under the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement, including without limitation, the Company's ability to make timely payments under the Loan Agreement and the Promissory Note, or (C) the validity or enforceability of the Loan Agreement, the Promissory Note, the Master Indenture or this Agreement, and (ii) such licenses, franchises, permits, authorizations, approvals, orders and concessions which are not yet required to be obtained and are obtainable in the ordinary course as and when required and which the Company has no reason to believe will not be timely obtained; and

5. Conditions of Bond Purchaser's Obligation. The Bond Purchaser's obligation to purchase the Bonds is subject to fulfillment of the following conditions at or before Closing:

(a) The Issuer's and the Company's representations hereunder shall be true on and as of the date of Closing and shall be confirmed by certificates at Closing;

(b) Neither the Issuer nor the Company shall have defaulted in the performance of any of its covenants hereunder; and

(c) The Bond Purchaser shall have received the following:

(i) An opinion of Andrews Kurth LLP, counsel to the Purchaser, in the form and substance satisfactory to the Bond Purchaser;

(ii) Opinion of counsel for the Company, in the form and substance satisfactory to counsel to the Purchaser;

(iii) Executed copies of the Indenture, the Loan Agreement and the Master Indenture, each in form and substance satisfactory to the Bond Purchaser;

(iv) The approving opinion of the Attorney General of the State of Texas with respect to the Bonds and the registration certificate of the Comptroller of the State of Texas with respect to the Bonds;

(v) Copies of the title commitment and a pro forma mortgagee's Texas title insurance policy insuring the Company's fee interest in the Project; and

(vi) Such additional documentation as counsel to the Bond Purchaser may reasonably request to evidence compliance with applicable law and the validity of the Bonds, the Loan Agreement, the Promissory Note, the Indenture, the Master Indenture and this Agreement and to evidence the status of the offering under the Securities Act.

6. Termination of this Agreement. The Bond Purchaser may terminate its obligation to purchase the Bonds by written notice to the Issuer and the Company at any time before Closing if any of the following occurs after the date hereof:

(a) Any action by the Securities and Exchange Commission or a court which would require registration of any security under the Securities Act or qualification of an indenture under the Trust Indenture Act of 1939 in connection with the sale and purchase of the Bonds as contemplated herein.

(b) Any suspension, material limitation or other restriction not presently in force on trading in securities on the New York Stock Exchange, or any general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities, or the inception or escalation of any war or major military hostilities or any material disruption in commercial banking or securities settlement or clearance services which, in the judgment of the Bond Purchaser, substantially impairs the marketability of the Bonds.

(c) Any material adverse change in the condition, financial or otherwise, of the Company.

7. Expenses. Except to the extent paid from the proceeds of the Bonds, if the Bonds are issued and delivered, the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of counsel for the Company and counsel to the Bond Purchaser in connection with the issue and purchase of the Bonds and the Attorney General of Texas filing fee; (ii) printing or word processing costs associated with the production of this Agreement, the Loan Agreement, the Promissory Note, the Indenture, the Master Indenture and such other documents as may be reasonably necessary in connection with the purchase, sale and delivery of the Bonds; (iii) the fees and expenses of the Trustee and any agent of the Trustee and any fees and disbursements of counsel for the Trustee in connection with the transactions contemplated by this Agreement; (iv) the cost of the mortgagee's title policy and recording fees; and (v) all other costs and expenses incident to the performance of the obligations of the Company hereunder and the transactions contemplated hereby which are not otherwise specifically provided for in this Section.

8. Notices and Other Actions. All statements, requests, notices, and agreements hereunder shall be in writing and, if to the Bond Purchaser, shall be delivered or sent by mail or facsimile transmission if to the Bond Purchaser's Attention: Oscar Davis, Regions Bank, 2245 West Campbell Road, Garland, Texas 75044; if to the Issuer, shall be sent by mail to Texas Public Finance Authority Charter School Finance Corporation, at 300 W. 15th Street, Suite 411, Austin, Texas 78701, Attention: General Counsel; and, if to the Company, shall be delivered or sent by mail to 5701 Redbird Circle Drive, Dallas, Texas 75237, Attention: Reverend A.W. Brown.

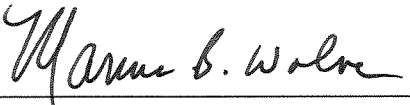
9. Beneficiaries of Agreement. This Agreement shall be binding upon, and inure solely to the benefit of, the Bond Purchaser, the Issuer and the Company and, to the extent provided herein, the officers and directors of the Bond Purchaser, the Issuer and the Company and each person who controls any of them, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement.

10. Time of the Essence. Time shall be of the essence in this Agreement.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.


12. Execution in Counterparts. This may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

**TEXAS PUBLIC FINANCE AUTHORITY
CHARTER SCHOOL FINANCE CORPORATION**

By: 
Name: Marina B. Walne
Title: President

Signature for Private Placement Agreement

REGIONS BANK


By: 

Name: Oscar Davis

Title: Vice President

Signature for Private Placement Agreement

A.W. BROWN FELLOWSHIP CHARTER SCHOOL

By: 
Name: Lorenzo Brown
Title: President

Signature for Private Placement Agreement