

COMMONWEALTH TERRACE COOPERATIVE, INC. (CTC) MANAGEMENT AGREEMENT

THIS AGREEMENT, effective the date of the last signature below, is between Regents of the University of Minnesota, a Minnesota constitutional corporation (the "**University**"), and the Commonwealth Terrace Cooperative, Inc., a Minnesota corporation (the "**Co-op**"). This Agreement is entered into by the University through its Department of Housing & Residential Life ("**HRL**").

RECITALS

WHEREAS, the University owns certain apartment buildings and appurtenant facilities located on its campus in St. Paul and Falcon Heights as more fully described herein ("**CTC Housing**"); and

WHEREAS, the Co-op is organized to provide low rent housing on a cooperative basis to students registered at the University of Minnesota, and to perform any other services and engage in any other activity permitted by law; and

WHEREAS, membership in the Co-op is open to University students who meet the qualifications to reside, along with their families, in CTC Housing ("**CTC Residents**"); and

WHEREAS, the Co-op desires to manage CTC Housing for economic and educational reasons; and

WHEREAS, the University agrees to engage the Co-op to manage CTC Housing according to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

Article 1: Appointment and Acceptance; Term; Overview of Management Responsibilities

1.1 Appointment and Acceptance. The University hereby appoints the Co-op and the Co-op hereby accepts appointment as the managing agent of the residential property known as CTC Housing, located in Ramsey County, Minnesota, and described as follows: all buildings, dwelling units and common areas available for use by CTC Residents located on the real property bounded on the South by Como Avenue, on the West by Cleveland Avenue, and on the North by Commonwealth Avenue. The east

boundary is established by installed fencing which borders the east side of CTC Housing from Commonwealth Avenue to Como Avenue.

1.2 Term. This Management Agreement is effective the date of the last signature below and shall terminate June 30, 2025, unless terminated earlier pursuant to the terms of this Management Agreement. If on the termination date the parties desire to continue their negotiation of the terms and conditions for the renewal of this Management Agreement, then this Management Agreement shall automatically be extended during the negotiation period but in no event for more than one hundred twenty (120) days after the termination date.

1.3 Overview of Management Responsibilities. The Co-op's management responsibilities shall include (a) securing tenants for CTC Housing; (b) maintaining accurate records of all persons living in CTC Housing; (c) entering into leases with CTC Residents; (d) performing certain financial and operational duties as more fully described herein; (e) maintaining the insurance coverages described herein; (f) promulgating and enforcing reasonable rules and regulations for the operation of CTC Housing; (g) employing Co-op staff; and (h) maintaining CTC Housing in accordance with this Agreement and the attached Maintenance Addendum, as such Addendum is modified from time to time by mutual agreement of University and Co-op. Co-op shall provide documentation evidencing fulfillment of such responsibilities at the request of the University.

Article 2: Housing Eligibility, Leasing, and Rent Collection

2.1 Housing Eligibility. Eligibility to reside in CTC Housing shall be determined by the University in consultation with the Co-op. Unless otherwise agreed by the University, eligibility will be limited to those persons listed below in the following priority order:

- a. Actively enrolled undergraduate or graduate students with families
- b. Individual actively enrolled graduate students
- c. Limited Professionals in Training with families
- d. Individual actively enrolled undergraduate students who have obtained senior class standing
- e. Individual actively enrolled undergraduate students who have obtained junior class standing
- f. Individual actively enrolled undergraduate students who have obtained sophomore class standing
- g. Individual Limited Professionals in Training
- h. Post-Doctoral Fellows (9560) and Associates (9546)

"with families" means University students who can provide the required documentation of being married or being in a domestic partnership, or of having at least fifty percent (50%) physical custody of one or more minor children.

"Limited Professionals in Training" means professionals in training that are eligible for the student health plan or resident health plan:

9541	Veterinary Intern
9548	Veterinary Medical Resident
9549	Veterinary Medical Resident-Grad Program
9552	Dental Fellow Teaching Specialist
9552CR	Chief Dental Fellow Specialist
9553	Dental Fellow
9554	Medical Fellow – Grad Program
9555	Medical Fellow
9556	Medical Resident
9556CR	Chief Medical Resident
9559	Medical Resident – Grad Program
9582	NIH NRSA Medical Resident
9583	NIH NRSA Medical Resident - Grad Program
9568	NIH NRSA Medical Fellow
9569	NIH NRSA Medical Fellow - Grad Program
9535	Professional Program Assistant
9510	Graduate Assistant Coach
9511	Teaching Assistant
9515	Graduate Instructor
9517	Ph.D. Cand. Graduate Instructor
9518	Advance masters TA
9519	Ph.D. Cand. w/24 Thesis cred. TA
9521	Research Assistant
9526	Graduate Research Project Assistant
9527	Ph.D. Cand. Graduate Research Proj. Asst.
9528	Advance Masters RA
9529	Ph.D. Cand. w/24 thesis Cand. RA
9531	Administrative fellow
9532	Advance Masters Admin. Fellow
9533	Ph.D. Cand. w/24 thesis cred. AF

Roommates of individual students and student family members do not need to meet these eligibility requirements. Resident eligibility to live in Como Housing and/or Commonwealth Terrace Housing is limited to a collective total of 7 years. Exceptions to this policy must be approved by University. The Co-op and University will work together to affirmatively market CTC Housing to University students and Professionals in Training who meet eligibility requirements. The assistance will include, but is not limited to, digital distribution of information about CTC Housing to existing and potential University students and Professionals in Training, working with the Co-op to analyze where University students and potential residents may be located, and to otherwise help the Co-op promote and achieve 100% occupancy. The parties acknowledge that it may be necessary to expand the eligibility criteria in order to achieve 100% occupancy of CTC Housing, in which case the University will consider modifications to the eligibility criteria and procedures set forth herein as may be reasonably necessary to achieve desired occupancy levels.

2.2 Lease Form. The Co-op shall enter into leases on behalf of the University with CTC Residents in the form approved by the University. The Co-op, with the advice and assistance of counsel, may update its lease paperwork and forms from time to time. Before implementing any changes, the Co-op will confer with the University and obtain the University's approval of such changes. The Co-op shall be responsible for performing all landlord obligations and CTC Residents shall be held responsible for performing all tenant obligations in such leases. The University may require the lease form to be changed or altered in consultation with the Co-op, with the advice and assistance of Co-op's counsel.

2.3 Occupancy Requirements. The Co-op shall endeavor to keep CTC Housing occupancy at one hundred percent (100%). If the occupancy rate of CTC Housing falls below ninety-five percent (95%) for a period of two (2) consecutive months, either party may, with ten (10) days' written notice, call a meeting to determine what steps need to be taken to improve occupancy. If after said meeting and after the implementation of mutually agreed upon steps taken to improve occupancy, there is no resulting increase in occupancy over the following six (6) months, either party may give written notice of termination to become effective sixty (60) days later.

2.4 Resident Roster; Annual Survey. On or before 5 days after the last date to add/drop classes of each semester, the Co-op will provide to the University a complete roster in Microsoft Excel, CSV, or Google Sheets format of all residents residing in CTC Housing. The roster must include an accurate account of student ID number, first name, last name, address, and move in date of each resident. The University will process the student ID numbers to verify eligibility and provide the results to the Co-op. Only the University can grant exemptions or extensions regarding eligibility as specified in this agreement to reside in CTC housing. CTC Housing policies and procedures relative to student data collection and storage are subject to University approval and applicable student housing laws. The Co-op agrees to distribute an

annual survey to CTC Residents using a survey format provided by the University and acceptable to the Co-op. University will provide the Co-op with a copy of the survey results and analysis.

2.5 No Co-op Membership Requirement. The Co-op agrees that it shall not deny occupancy to any eligible student based on that student's unwillingness to become a member of the Co-op. However, the Co-op shall not be required to pay patronage refunds to non-members. The Co-op shall have the right to charge a rent differential to CTC Residents who choose not to join the Co-op. Rent differential amounts that exceed ten percent (10%) of rent per month must have prior University approval. Non-member residents will not have member benefits and responsibilities. If the University has approved a rent differential of more than ten percent (10%) of rent per month, the University may review the need and amount of rent differential in excess of ten percent (10%) of rent per month that is charged to non-members and the amount must be justifiable when compared to member benefits and responsibilities.

2.6 Disability Accommodations. University's Disability Resource Center, in consultation with HRL, shall have the right to certify eligibility for disability services, determine legally required reasonable accommodations, and develop plans for the provision of such accommodations to CTC Residents with disabilities. The Co-op agrees to abide by the determinations and recommendations of University's Disability Resource Center as they apply to CTC Residents. If the University Disability Resource Center directs the Co-op to make any accommodation or modification that has an expense associated with it, such as modifying or renovating an apartment premises or common area for accessibility or other disability related purposes, the cost of installing or replacing such mandated accommodations or modifications shall be at the University's expense and shall comply with applicable building codes and University policy. The maintenance and repair of such accommodations is at the expense of the Co-op.

2.7 Rent Collection. The Co-op shall be responsible for collecting rent from CTC Residents on behalf of the University. All rents collected by the Co-op shall be the property of the University. The Co-op shall remit to the University 1/12 of the University Requirements (as defined in Section 3.1 below) each month in accordance with the University's billing and invoicing procedures and retain 1/12 of the Management Fee, as defined in Section 3.1 below. The parties acknowledge that all rents should equal the Management Fee (including estimated rent loss) and the University Requirements combined. The monthly payment to the University will not be adjusted for occupancy or rent collection variances.

2.8 Unpaid Rent. The Co-op shall be responsible for collecting any unpaid rent from CTC Residents. The Co-op will provide information concerning its collection efforts on all accounts that are in arrears by more than 1 month with the monthly rent transmittal. The University, at the request of the Co-op, will place holds on student accounts to assist with the Co-op's collection efforts. The Co-op shall retain all amounts collected from CTC Residents for unpaid rent.

2.9 Security Deposits. Any and all monetary deposits required of CTC Residents to secure performance of their lease obligations (“**Security Deposits**”) shall be collected, held, and paid by the Co-op in accordance with applicable law. The Co-op shall maintain accurate records of all Security Deposits, which records shall be subject to the University’s inspection and copying in accordance with Section 3.3 below. Upon the expiration or earlier termination of this Management Agreement, all Security Deposits shall be transferred to the University or its designee and held and paid in accordance with applicable law.

Article 3: Budgeting and Financial Responsibilities

3.1 University Requirements and Cooperative Budget. On or before November 15 in each year of the term of this Management Agreement, the University shall submit to the Co-op its projected annual operating budget (the “**University Requirements**”) for CTC Housing for the next fiscal year, which shall include allocations for Capital Renewals (as defined in Section 7.5 below), debt service, and administration. The University Requirements are subject to final approval by the University’s Board of Regents. The Co-op shall submit to the University on or before each December 15 a preliminary operating budget for the next fiscal year in an editable, digital format. On or before February 1 in each year of the term of this Management Agreement, the Co-op shall submit to the University its final projected annual operating budget (“**Cooperative Budget**”) for the next fiscal year and rent schedule, which shall include all planned expenditures and estimates for utilities, insurance, supervision, administration, maintenance, service expenses, and any other operating expenses to be incurred during the next fiscal year. The Cooperative Budget should include a rent loss estimate for the year and be in an editable, digital format. The “**Management Fee**” is the payment to the Co-op for its services hereunder to offset the total expenses included in the Cooperative Budget.

3.2 Co-op Financial Responsibility for University-Provided Services. The University will provide certain services that will be the financial responsibility of the Co-op. Such services include but are not limited to utility billing, property insurance, and services of University’s Facilities Management, including related charges. The University may provide additional services that will be the financial responsibility of the Co-op, subject to prior approval from the Co-op before such services are provided. The University and the Co-op must mutually agree to terminate such services. The cost of services provided by the University will be billed to the Co-op in as timely a manner as allowed by University policy and paid by the Co-op by the date specified in each billing.

3.3 Co-op Financial Records. The Co-op agrees that it will keep, in accordance with generally accepted accounting principles, accurate financial records and proper books of account relating to its operation and management of CTC Housing pursuant to this Management Agreement. The Co-op will furnish such other records and information and will permit inspection and copying of its books and records for any reason to the extent necessary to enable the University to comply with State and University audit

regulations. The Co-op's obligation to provide such statements shall survive the expiration or termination of this Agreement.

3.4 Annual Audited Financial Report. No later than November 30 in each fiscal year in the term of this Management Agreement, the Co-op shall deliver to the University its complete, independently audited financial report showing income and expenditures arising out of its management of CTC Housing in the preceding fiscal year. If the audit report shows more than a ten percent (10%) variance in expenditures from the Cooperative Budget for that year, the University may, upon ten (10) days' notice to the Co-op (the "**Notice**"), request a meeting with the General Manager and the Board President to review the audit and to discuss the audit. If the meeting does not resolve University's questions regarding the audit or variance, then the University may submit questions to the auditor in writing with copies to the General Manager and Board President with a request for a written response from the auditor that can be reviewed by all parties, and the Co-op's Board of Directors. In the event the variance in expenses exceeds ten percent (10%) of the Cooperative Budget for a year, and the parties are unable to mutually agree on an adjustment to the Management Fee and rent for the subsequent year, then either Party may terminate this Management Agreement upon 45 days written notice to the other party, and the Co-op shall deliver to University an audited financial report (prepared at the expense of the terminating party) for the final period for which the Co-op had management responsibility for CTC Housing within two (2) months of such expiration or termination.

3.5 Rent Loss Responsibility. If University's failure to make the capital improvements or complete the major repairs for which it is responsible under Section 7.5 below results in rent loss, such rent loss will be the responsibility of the University. If there is rent loss associated with a capital expenditure or insurance claim work for which the University is responsible under Section 7.5 below, such rent loss will be the financial responsibility of the University. In such case, the University is responsible for providing the Co-op advance notice of no less than 45 days of a firm date when the unit will be rent-ready and habitable. The University will be responsible for rent loss until the unit is habitable. If a unit is permanently taken off-line during a fiscal year, the resulting rent loss for that fiscal year will proportionally reduce the University Requirements and the Co-op's Management Fee for the remainder of the year.

3.6 Prohibition of Co-op Profits. The Co-op shall operate on a cooperative basis without gain or profit to the Co-op. Any amounts collected by the Co-op, over and above expenses and reserves, shall be distributed as patronage refunds to Co-op members, used for improvement projects, invested in projects approved by the University for the benefit of Co-op members, or deposited in the Co-op's reserves.

Article 4: Insurance and Indemnification

4.1 Commercial General Liability. The Co-op shall maintain at its own expense for the duration of this Management Agreement, commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, for bodily injury (including personal injury) and broad form property damage liability. The Co-op shall provide a Certificate of Insurance to the University for such coverage, naming Regents of the University of Minnesota as a primary additional insured.

4.2 Worker's Compensation. The Co-op agrees to maintain Worker's Compensation Insurance in compliance with Minnesota law, and to comply with all federal and state laws and regulations relating to employment, including but not limited to hours of work, working conditions of employees, minimum wages, and equal employment opportunity.

4.3 Theft Insurance. The Co-op shall maintain insurance coverage against the loss of funds through theft, fraud, embezzlement, or mysterious disappearance. Said insurance shall be supplied at the expense of the Co-op and shall be in an amount not less than Fifty Thousand Dollars (\$50,000.00) for fraud or embezzlement and Two Thousand Dollars (\$2,000.00) for theft or mysterious disappearance. Evidence of the existence of this insurance shall be provided to the University's Risk Management and Insurance Office.

4.4 Indemnification. The Co-op agrees to defend, hold harmless and indemnify the University, its officers, agents, employees and representatives against all claims for bodily (or personal) injury or property damage resulting from the Co-op's performance of its obligations under this Management Agreement and accompanying Maintenance Addendum, except to the extent such injury or damage is caused by the negligent act or omission of the University, its officers, agents, employees or representatives; in which case the University shall hold harmless and indemnify Co-op for such negligence or omission. The University's liability under this Agreement is subject to the limits of the Minnesota Tort Claims Act, Minn. Stat. § 3.736, and other applicable law.

Article 5: Operational Rules and Policies

5.1 Co-op Rules for CTC Housing. The Co-op agrees to promulgate and enforce reasonable rules and regulations for the operation and management of CTC Housing, including rules that assure protection of University property at CTC Housing, collection of rents, and the Co-op's responsibility for repair and maintenance of CTC Housing in accordance with the Maintenance Addendum. The Co-op shall provide copies to the University of any proposed changes to its rules, regulations and policies at least thirty (30) days before such regulations go into effect. If the University does not object, the Co-op may proceed

to implement the rules and regulations. If the University has any objection, the Co-op agrees to postpone implementing any rule or regulation until University agreement is obtained.

5.2 Procedure for Resident Complaints. The Co-op shall establish procedures and processes for receiving and handling complaints from CTC Residents. Complaints received by University from CTC Residents regarding the Co-op's operation and management of CTC Housing will initially be assessed by HRL. After receiving such a complaint but before taking any action, HRL will confirm that the complainant has first complied with the Co-ops' procedures and processes for making complaints. HRL will then evaluate the complaint to determine if a breach of any provision of the Management Agreement has occurred by the Co-op. If HRL determines that a breach has occurred, HRL will follow the procedure set forth in this Management Agreement. If no breach has occurred, HRL will refer the complaint to the University Student Conflict Resolution Center for resolution. The Co-op has no obligation to mediate any complaint and the provisions of this paragraph shall not be a defense to, or delay, any action taken by the Co-op against any resident to enforce a lease, CTC Housing Rules and Regulations and policies, or action by the Co-op involving its staff or employees. Notwithstanding the foregoing paragraph, if the complaint involves behavior such as discrimination, sexual misconduct, relationship violence, or other misconduct which the University's Equal Opportunity and Affirmative Action (EEOA) responds to or investigates pursuant to University policy, the Co-op will adhere to EEOA process and cooperate with the EEOA.

Article 6: Co-op Staffing

6.1 Necessary Personnel. The Co-op will employ, pay, supervise and discharge the personnel necessary to perform its obligations under this Management Agreement.

6.2 Non-discrimination Compliance. The Co-op agrees to comply with all federal, state and local laws, statutes and ordinances regarding discrimination with respect to employment or any matter directly or indirectly related to employment. The Co-op further agrees that every contract entered into by the Co-op will include a provision prohibiting discrimination in employment, as herein specified, on the part of the contractor. Discrimination in employment or contracting by the Co-op or its contractors may be regarded as a material breach of this Management Agreement. The Co-op will furnish such business and other records reasonably necessary to enable the University to comply with its obligations regarding nondiscrimination and to monitor Co-op's compliance with the provisions of this paragraph.

6.3 Personnel Policies and Procedures. The Co-op shall adopt and maintain personnel policies and procedures consistent with the terms of this Management Agreement and all applicable laws and regulations. Such personnel policies and procedures shall include an employee grievance procedure.

6.4 Co-op General Manager. The Co-op shall employ a general manager who shall be responsible for hiring, disciplining and retaining such additional supervisors and other employees as appropriate. If there is a vacancy in the general manager position, and the Co-op fails to appoint a general manager (or interim general manager) within 30 days following the vacancy, then the University shall have the right to terminate this Agreement immediately without giving the 60-day notice required under Section 9.1. Co-op residents, members, officers and Board members shall not be responsible in any way for supervising, disciplining, or directing employees except by and through the general manager or, in the absence of the general manager, the next appropriate supervisor.

6.5 Co-op Action regarding Employment Issues. The Co-op agrees and acknowledges that its responsibility as a managing agent for the University and as a co-op is to act through the Board as a whole or through an appropriate executive committee or employment committee as it relates to handling employment issues and setting goals and policies for employees and the general manager.

6.6 Co-op Board Training Program. The Co-op shall require the Co-op Board to participate in a training program, with written training materials, that includes instructions on Co-op structure, the Co-op Bylaws, Rules and Regulations, this Management Agreement and Maintenance Addendum, budgeting, legal obligations of the Co-op to residents and employees, other obligations of the Co-op Board, and the policy development process of the Co-op. This training shall be completed by all Co-op Board members within 90 days of election or appointment.

Article 7: Facility and Appliance Maintenance and Repair Obligations

7.1 Care of University Appliances and Personal Property. The Co-op shall maintain in good working condition and keep in repair all appliances and personal property owned by the University and located anywhere in CTC Housing; provided, however, that such maintenance shall continue only for so long as it is financially practical to do so. Replacement of University-owned appliances and personal property shall be in accordance with a replacement schedule established by the University. If, in the Co-op's judgment, replacement of appliances and personal property other than at the time specified in the replacement schedule is necessary, the Co-op shall obtain the approval of University before purchasing such replacement(s). The Co-op shall order appliances through the University's approved process.

7.2 Washers and Dryers. The Co-op shall furnish washers and dryers in adequate numbers to accommodate the needs of CTC Residents. It shall be the responsibility of the Co-op to ensure the satisfactory operation of the washers and dryers at all reasonable times, whether the equipment is owned by the Co-op or leased from a third party operator. The University shall have no interest in the proceeds derived from the use or rental of the washers and dryers.

7.3 Legal and Building Code Compliance. The Co-op agrees to comply with all applicable laws, rules, and regulations in its management and operation of CTC Housing, including, without limitation, compliance with applicable building codes, acknowledging the jurisdiction of University's Building Code Department. In addition, the Co-op agrees to follow applicable guidance and directives of the Center for Disease Control and Prevention, the Minnesota Department of Health, and the University related to the prevention and spread of COVID-19 and other communicable diseases. The University may conduct inspections of CTC Housing to ensure compliance with such codes and policies. The University will determine occupancy limits for apartments and community spaces and communicate such limits to the Co-op.

7.4 Maintenance Addendum; Bond Requirement of Co-op Contractors. The Co-op shall keep CTC Housing in good repair in accordance with the provisions of the Maintenance Addendum. Where the University's property insurance covers damage to CTC Housing, the Co-op shall cooperate with the University in making its claim and shall comply with requirements of the insurance policy in order to preserve the University's coverage. All contractors engaged by the Co-op to perform services or provide materials valued in excess of \$5,000.00 relating to the maintenance and repair of CTC Housing shall provide a payment and performance bond for the benefit of the Co-op and the University in a form satisfactory to the University.

7.5 Capital Renewals and Major Maintenance Items. The University is responsible for (and the Co-op is not responsible for) those capital improvements and those major maintenance items identified in its then-current multi-year Capital Expenditure Plan ("**Capital Renewals**"), for restoration work covered by University's property insurance, the cost of which exceeds the University's deductible amount, and for unforeseen structural and systems work that meets the requirements for placement on the multi-year Capital Expenditure Plan (also deemed "**Capital Renewals**"). The Co-op may perform time sensitive or after-hours emergency repairs for which the University is responsible under the preceding sentence, provided that the Co-op follows the University's policies and process for emergency repairs.

7.6 Coordination with University Representatives. The Director of HRL shall appoint one or more HRL staff members to serve as the University's representative(s) to the Co-op. All proposals made by the Co-op for modifications, replacements or improvements to CTC Housing shall be subject to the approval of University's representative(s), with such approval not to be unreasonably withheld. The implementation of approved modifications, replacements or improvements will be coordinated with the University by the Co-op.

7.7 Vending Machines. The Co-op shall have the right to place vending machines in common areas at CTC Housing for the sale of goods customarily sold in vending machines, consumable or

otherwise, to CTC Residents. The Co-op's provision and maintenance of vending machines and inventories of goods shall not result in unsanitary or unsightly conditions, or constitute a hazard for insurance purposes or a hazard to health or property. The maintenance and operation of vending machines and the sale of goods through them shall be done in compliance with applicable government regulations and any exclusive contract between University and a beverage or vending provider.

7.8 CTC Housing Plans and Specifications. The University will provide the Co-op access to any sets of the plans and specifications of structural and system repairs and improvements to CTC Housing, including the construction, layout, location, character, and operating instructions of lighting, heating, plumbing, and ventilating systems, and any other mechanical equipment installed in CTC Housing.

7.9 Interruption of Service. At any time if there is an interruption of service or significant event at CTC housing impacting CTC students and families, the Co-op has the responsibility to notify the University as soon as possible. If the University becomes aware of a situation as described above, the University has the responsibility of sharing the information with the Co-op as soon as possible. In a catastrophic event or system failure, the Co-op and the University will work together to ensure the safety and wellbeing of the residents.

Article 8: Childcare Center

8.1 Provider Agreement for Childcare Center. Certain space located in CTC Housing has been designated for use as a childcare center. The Co-op is hereby granted the right to enter into an agreement with a fully licensed childcare provider (the "**Provider**") to provide childcare services in such space on a non-exclusive basis to CTC Residents. University reserves the right to review and approve all agreements with a Provider, including any renewal or extension of a Provider agreement. Such Provider agreement, amendment or extension shall not be effective until approved by the University in writing, provided, however, that such approval shall not be unreasonably withheld. The agreement with Provider shall (i) require the Provider to comply with all applicable governmental regulations relating to childcare; (ii) require Provider to be subject to all Co-op policies, procedures, rules and regulations, including Co-op's obligations to comply with University policies, ordinances, rules and regulations as required in this Management Agreement; (iii) require the Provider to maintain general liability insurance, including sexual abuse or molestation coverage, in an amount not less \$1,000,000 per occurrence, for bodily injury (including personal injury) and broad form property damage liability and to provide a Certificate of Insurance for such coverage, naming the Co-op and the University as additional insureds; (iv) state that the Provider shall have no rights to Co-op or University property, except as expressly stated in such agreement; and (v) automatically terminate upon termination or expiration of this Management Agreement, provided that any amounts then

currently owed by Provider to the Co-op shall remain an obligation of Provider notwithstanding any termination of this Management Agreement or Provider agreement.

8.2 Outdoor Playground Area. Provider shall have exclusive access and use of the outdoor playground area. All use of the outdoor play area by Provider's customers shall be properly supervised by Provider to minimize liability. The Provider shall be responsible for authorizing all uses of the outdoor play area and shall install proper signage to inform the public that the outdoor play area is for the exclusive use of Provider. In the case of a CTC Housing special event, the Co-op, its tenants, their families and guests, may use the outdoor play area only upon receiving written consent from Provider prior to each use. All supervision of playground use is the responsibility of the users and not the University or the Co-op. The Co-op Rules and Regulations shall also incorporate these requirements.

8.3 Maintenance of Playground and Equipment. The Co-op shall maintain at its own expense, or contract with the Provider to maintain at Provider's expense, the playground area designated for the Child Care Space and equipment in accordance with applicable laws, ordinances, and University policies.

Article 9: Miscellaneous Terms

9.1 Default. A party's failure to perform its obligations under this Management Agreement, including the Maintenance Addendum, shall be cause for termination of this Management Agreement by the non-defaulting party. The non-defaulting party shall give the other party written notice of the default and the defaulting party shall have sixty (60) days after its receipt of the notice to correct the default. Failure to cure the default within such sixty (60) day period, unless the period is extended in writing by the parties, shall constitute cause for termination of this Management Agreement. In the event this Management Agreement is so terminated, management of CTC Housing shall revert to the University or its designee.

9.2 Force Majeure. Neither party shall be responsible for any delays or failure to perform any obligation under this Management Agreement due to acts of God, strikes or other disturbances, including without limitation, war, acts of terrorism, riots, insurrection, embargoes, governmental restrictions, acts of governments or governmental authorities, and any other cause beyond the control of such party.

9.3 Police Services. The University of Minnesota Police Department shall continue to provide primary police protection at CTC Housing.

9.4 Entire Agreement. This Management Agreement, including the Maintenance Addendum and all exhibits related thereto, is intended by the parties to be the final and binding expression of their

agreement and is the complete and exclusive statement of its terms. All prior negotiations and agreements relating to the subject matter of this Management Agreement are merged herein.

9.5 Notices. All notices, requests, and other communications that a party is required or elects to deliver shall be in writing and shall be delivered personally, or by facsimile or electronic mail (provided such delivery is confirmed), or by a recognized overnight courier service or by United States mail, first class, certified or registered, postage prepaid, return receipt requested, to the other party at its address set forth below or to such other address as such party may designate by notice given pursuant to this Section:

If to the University: University of Minnesota
Attn: Scott Creer
Housing & Residential Life
Comstock Hall - East
210 Delaware Street SE
Minneapolis, MN 55455
Phone No.: (612) 624-1969
Facsimile No.: (612) 624-6987
E-mail: Creer003@umn.edu

With a copy to: University of Minnesota
Office of the General Counsel
Attn: Transactional Law Services Group
360 McNamara Alumni Center
200 Oak Street S.E.
Minneapolis, MN 55455-2006
Facsimile No.: (612) 626-9624
E-mail: ogcontracts@umn.edu

If to the Co-op: Community Terrace Cooperative, Inc.
Attn: Hadley Adkins, General Manager
1250 Fifield Ave
Falcon Heights, MN 55108
Facsimile No.: (651) 646-7526
E-mail: hadleya@umnctc.org

With a copy to: Fredrikson & Byron, P.A.
Attn: Dan Mott
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402-1425
Phone No.: (612) 492-7322
Facsimile No.: (612) 492-7077
E-mail: dmott@fredlaw.com

9.6 Assignment. The rights or duties of the Co-op set forth in this Management Agreement may not be assigned or delegated to a third party without the prior written consent of University, which University may grant or withhold in its sole discretion.

9.7 Amendments. This Management Agreement, including the Maintenance Addendum and all exhibits, shall be amended only in a writing duly executed by the University and the Co-op.

9.8 Independent Contractor. The Co-op is an independent contractor of the University and, except as provided in this Management Agreement, the Co-op shall have no legal authority to bind the University in any way.

9.9 Governing Law/Jurisdiction. The laws of the state of Minnesota shall govern the validity, construction, and enforceability of this Management Agreement, without giving effect to its conflict of laws principles. All suits, actions, claims, and causes of action relating to the construction, validity, performance and enforcement of this Management Agreement shall be in the courts of the state of Minnesota.

9.10 Counterpart Signatures. This Management Agreement may be executed in counterparts and by electronic signature, each counterpart of which shall be deemed an original, and all of which together shall constitute one and the same Management Agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will have the same legal effect as delivery of an original signed copy of this Management Agreement.

IN WITNESS WHEREOF, Regents of the University of Minnesota and the Commonwealth Terrace Cooperative have executed this Management Agreement by their duly authorized representatives effective as of the date of last signature below.

REGENTS OF THE UNIVERSITY OF MINNESOTA

By Laurie McLaughlin
Laurie McLaughlin
Title: Interim Associate Vice President,
Auxiliary Services
Date 11/25/20

COMMONWEALTH TERRACE COOPERATIVE, INC.

By Brook Demissie
Brook Demissie
Title: Chair, Board of Directors
Date 11/19/2020