

AGREEMENT REGARDING BRENTWOOD SCHOOL

This Agreement Regarding Brentwood School ("Agreement") is made as of May 16, 2014, by and between the BRENTWOOD HOMEOWNERS' ASSOCIATION, a California non-profit corporation ("BHA"), and BRENTWOOD SCHOOL, a California non-profit corporation (the "School"), with reference to the following facts:

A. The School has two locations at this time: the East Campus at 100 S. Barrington Place (the "East Campus") and the West Campus at 12001 Sunset Boulevard (the "West Campus").

B. BHA, Residential Neighbors of Brentwood (Private) School ("RNBS") and the School have entered into an Amended and Restated Covenants, Conditions and Restrictions Agreement dated as of May 16, 2014 (the "Amended Covenant"). RNBS and the School approved the Amended Covenant on or about May 12, 2012, and BHA approved it on or about May 13, 2014. The Amended Covenant and this Agreement set forth the rights and obligations of BHA, RNBS, and the School with respect to the development and operation of the East Campus.

C. While BHA and RNBS in general have common interests with respect to the School, BHA places a greater emphasis on traffic issues.

D. BHA and the School desire to enter into this Agreement to address more fully BHA's concerns regarding traffic associated with the East Campus, the School's proposed Master Plan expansion, and certain other issues.

E. All undefined, capitalized terms in this Agreement have the same meaning as in the Amended Covenant.

For valuable consideration, the parties agree as set forth below.

1. Enrollment Increase. In consideration of the traffic mitigation provisions set forth herein, BHA agrees to support the approval and implementation of the School's Master Plan for the East Campus, including but not limited to the expansion of the student enrollment on the East Campus from 695 to 960 and the new construction on the East Campus described in the Amended Covenant. Without limiting the foregoing, BHA shall support the School's applications for a new or revised conditional use permit ("CUP") and other needed approvals for the East Campus, provided that the applications are consistent with the applicable material provisions of the Amended Covenant and this Agreement.

2. Annual Notice of No Drop Off and Pick Up Areas. Prior to the commencement of each school year and then again within fifteen days after the commencement of each school year, the School shall deliver written notice to all parents, students, staff and faculty that neither they nor anyone involved with them shall park anywhere off campus for any School purpose, including, but not limited to, dropping off or picking up students.

3. Ride-Share Program and Vehicle Rules. Each school year, the School shall provide BHA with copies of the notices sent to parents and students regarding the School's ride-

share program and vehicle rules.

4. School Parking Spaces. The School shall not rent any parking spaces on the Campuses or the VA Property to any third parties not affiliated with the School without first obtaining BHA's consent.

5. Liaison Committee. Notwithstanding anything to contrary contained in Article 11 of the Amended Covenant, the Liaison Committee shall have three voting members, consisting of one member appointed by the School, one member appointed by BHA, and one member appointed by RNBS.

6. Traffic Mitigation.

6.1 Limit on Morning Meetings. Notwithstanding anything to the contrary in Section 7.5 of the Amended Covenant, the School shall not permit meetings of 50 people or more (other than students, faculty or the staff) on the School Property before 9:00 a.m. on school days more than two times per month without BHA's prior consent.

6.2 Trip Cap. Notwithstanding anything to the contrary in Section 7.4 of the Amended Covenant, the "**Trip Cap**" shall be determined by multiplying (a) the average of the Trip counts from the first three consecutive Traffic Surveys (each as defined in Section 6.3 below) following full execution of this Agreement, by (b) 105%. The five percent adjustment factor is intended to account for periodic fluctuations in traffic that are outside of the School's reasonable control. Once the Trip Cap has been determined, the School and BHA shall execute an addendum to this Agreement specifying the Trip Cap number.

6.3 Traffic Surveys. Notwithstanding anything to the contrary in Section 7.7 of the Amended Covenant:

(a) The School shall conduct two traffic surveys ("**School Traffic Surveys**") each school year, with the first conducted between October and December and the second conducted between March and May (the "**Survey Periods**"). Within three weeks after the start of each semester, the School shall present the BHA with possible dates for the School Traffic Surveys, together with the proposed methodology or methodologies (which shall in all cases represent then-current best industry practices), and BHA and the School shall select the dates and the methodology or methodologies for that Survey Period. For each School Traffic Survey, the School shall hire a qualified traffic data collection firm (the "**School Traffic Consultant**") to count all inbound and outbound vehicle trips at the East Campus ("**Trips**") during 7:30 a.m. to 8:30 a.m. and 3:00 to 6:00 p.m. over three consecutive weekdays (which shall be Tuesday, Wednesday, and Thursday). In addition, monitors from the School Traffic Consultant shall accompany School personnel to count any vehicles picking up or dropping off School students in the Brentwood Village commercial area during the designated counting hours. Any such vehicle shall count as two Trips (one inbound and one outbound). The School shall cause the School Traffic Consultant to provide copies of the School Traffic Survey concurrently to the School and BHA.

(b) The School Traffic Consultant shall be subject to BHA's reasonable approval. If BHA does not approve or disapprove the School Traffic Consultant in

writing within 10 days of receiving notice thereof, BHA shall be deemed to have approved the School Traffic Consultant.

(c) BHA, at its sole cost and expense, may hire its own traffic consultant (“**BHA Traffic Consultant**”) to monitor and review the preparation of the School Traffic Survey. This may include the BHA Traffic Consultant speaking with the School Traffic Consultant, reviewing the Traffic Survey methodology or methodologies, reviewing data collection locations and processes, and spot checking the traffic counts and the drop off counting referred to in Section 6.3(a) above. The School Traffic Consultant shall reasonably cooperate with the BHA Traffic Consultant, including but not limited to sharing the raw Trip count data with the BHA Traffic Consultant. The BHA may rely on information gathered by the BHA Traffic Consultant in its decision to conduct a BHA Traffic Survey, as described in Section 6.4 below.

(d) The BHA Traffic Consultant shall be subject to the School’s reasonable approval. If the School does not approve or disapprove the BHA Traffic Consultant in writing within 10 days of receiving notice thereof, the School shall be deemed to have approved the BHA Traffic Consultant.

(e) If BHA does not notify the School in writing within 14 calendar days of receipt of the School Traffic Survey that it intends to conduct a BHA Traffic Survey for that Survey Period, as described in Section 6.5 below, such School Traffic Survey shall become the final Traffic Survey for such Survey Period (“**Final Traffic Survey**”). If the Final Traffic Survey shows the number of Trips to be in excess of the Trip Cap, then the School shall pay liquidated damages in accordance with Section 6.5 below.

6.4 Traffic Surveys by BHA. Notwithstanding anything to the contrary in Section 7.8 of the Amended Covenant:

(a) BHA may, at its sole cost and expense, one time each semester, retain the BHA Traffic Consultant to perform a traffic survey to count all Trips during 7:30 a.m. to 8:30 a.m. and 3:00 to 6:00 p.m. over three consecutive week days (which shall be Tuesday, Wednesday, and Thursday) (a “**BHA Traffic Survey**”). The BHA Traffic Consultant shall use the same methodology or methodologies for counting Trips in the BHA Traffic Survey as was determined by the School and BHA for such Survey Period.

(b) BHA shall notify the School in writing within 14 calendar days of receipt of the School Traffic Survey that it intends to conduct a BHA Traffic Survey for that Survey Period. Such notice shall include proposed dates for the BHA Traffic Survey. The School and BHA shall select the dates.

(c) The BHA Traffic Consultant shall deliver the results of the BHA Traffic Survey concurrently to BHA and the School.

(d) If the results of any BHA Traffic Survey discloses a greater number of Trips than the School Traffic Survey for the same Survey Period, the BHA Traffic Survey shall be the Final Traffic Survey for such Survey Period. If such Final Traffic Survey shows the number of Trips to be in excess of the Trip Cap, then the School shall pay

liquidated damages in accordance with Section 6.5 below. However, if the BHA Traffic Survey shows the number of Trips to be at or below the Trip Cap for that Survey Period, then the School shall be deemed to be in compliance with the Trip Cap for that Survey Period as well as the next consecutive Survey Period, and there shall be no School Traffic Survey or BHA Traffic Survey for such next consecutive Survey Period. Both such Survey Periods shall count as Trip Cap compliant for the purpose of determining the Reset Requirements described in Section 6.5(h) to (k) below.

6.5 Liquidated Damages. Notwithstanding anything to the contrary in Section 12.5 of the Amended Covenant, if there is an Event of Default as a result of a Final Traffic Survey showing that the number of Trips exceed the Trip Cap, the School shall pay liquidated damages into a BHA Traffic Mitigation Fund (described below) as follows:

(a) The first time that a Final Traffic Survey shows that the Trip Cap is exceeded, there shall be no liquidated damages.

(b) If two consecutive Final Traffic Surveys show that Trips exceed the Trip Cap (each an "Exceedance"), then the School shall pay as liquidated damages an amount equal to \$250 times the total number of Trips in excess of the Trip Cap for both such Survey Periods. For example, if the first Exceedance is 10 Trips and next Exceedance is 20 Trips, the School would pay liquidated damages of \$7,500 ($\$250/\text{Trip} \times (10 \text{ Trips} + 20 \text{ Trips}) = \$7,500$).

(c) If three consecutive Final Traffic Surveys show Exceedances, the School shall pay as liquidated damages an amount equal to (i) one-half of the then-current annual tuition for an East Campus student, plus (ii) \$250 times the total number of Trips in excess of the Trip Cap for such Survey Period. For example, if the East Campus Tuition is \$30,000, and the third consecutive Trip Cap exceedance is 10 Trips, the School would pay liquidated damages of \$17,500 ($(\$30,000/2) + (\$250/\text{Trip} \times 10 \text{ Trips}) = \$17,500$) for such Survey Period.

(d) If four consecutive Final Traffic Surveys show Exceedances, the School shall pay as liquidated damages an amount equal to (i) the then-current annual tuition for an East Campus student, plus (ii) \$500 times the total number of Trips in excess of the Trip Cap for such Survey Period.

(e) If five consecutive Final Traffic Surveys show Exceedances, the School shall pay as liquidated damages an amount equal to (i) the then-current annual tuition for an East Campus student, plus (ii) \$1000 times the total number of Trips in excess of the Trip Cap for such Survey Period.

(f) If six or more consecutive Final Traffic Surveys show Exceedances, the School shall in each instance pay as liquidated damages an amount equal to (i) the then-current annual tuition for an East Campus student, plus (ii) a per Trip amount that begins at \$2000 for the sixth consecutive Exceedance of the Trip Cap and increases by \$1000 for each subsequent consecutive exceedance (e.g., \$3,000 per Trip for the seventh consecutive Exceedance, \$4,000 for the eighth consecutive Exceedance, and so on). For example, if the East Campus tuition is \$30,000 and the seventh consecutive Trip Cap exceedance is 10 Trips, the School would pay liquidated damages of \$60,000 ($\$30,000 + (\$3,000/\text{Trip} \times 10 \text{ Trips}) = \$60,000$) for such Survey Period.

(g) Commencing the second year after the Trip Cap is established pursuant to Section 6.2 above, the amount of the per Trip liquidated damages set forth above shall be adjusted annually based on the increase or decrease in East Campus tuition from the prior year. For example, if the East Campus tuition is increased by 10 percent in the third year after the Trip Cap is established, the per Trip liquidated damages set forth in subparagraph (b) of this Section 6.5 would increase from \$250 to \$275 ($\$250 \times 1.10 = \275).

(h) If two consecutive Final Traffic Surveys show Exceedances, and the third Final Traffic Survey shows that Trips are less than or equal to the Trip Cap (“Compliance”), the Exceedances shall be reset to zero, and the next subsequent Exceedance, if any, shall be considered the first Exceedance as set forth in subparagraph (a) of this Section 6.5. The number of consecutive Final Traffic Surveys showing Compliance that is necessary to reset the Exceedances to zero is referred to as the “Reset Requirement.” See attachment A, Section 6.5 Overview.

(i) If three consecutive Final Traffic Surveys show Exceedances, the Reset Requirement shall be one Final Traffic Survey showing Compliance. Therefore, if the fourth consecutive Final Traffic Survey shows Compliance, the next Exceedance, if any, shall be considered the first Exceedance as set forth in subparagraph (a) of this Section 6.5.

(j) If four consecutive Final Traffic Surveys show Exceedances, the Reset Requirement shall be two consecutive Final Traffic Surveys showing Compliance. Therefore, if the fifth and sixth Final Traffic Surveys show Compliance, the next subsequent Exceedance, if any, shall be considered the first Exceedance as set forth in subparagraph (a) of this Section 6.5. However, if the fifth Final Traffic Survey shows Compliance but the sixth Final Traffic Survey shows an Exceedance, such Exceedance shall be considered to be the fifth consecutive Exceedance.

(k) For each subsequent consecutive Exceedance beyond the fourth consecutive Exceedance, the Reset Requirement shall be increased by one. For example, if five consecutive Final Traffic Surveys show Exceedances, the Reset Requirement shall be three consecutive Final Traffic Surveys showing Compliance. However, if a subsequent Final Traffic Survey shows an Exceedance before the Reset Requirement has been met, such Exceedance shall be considered to be the next consecutive Exceedance following the last Exceedance. For example, if under the above scenario the sixth and seventh Final Traffic Surveys show Compliance, but the eighth shows an Exceedance, such Exceedance shall be considered to be the sixth consecutive exceedance.

6.6 BHA Traffic Mitigation Fund. Notwithstanding anything to the contrary in Section 11.6 of the Amended Covenant, all liquidated damages paid by the School for exceeding the Trip Cap shall be deposited into the BHA Traffic Mitigation Fund and shall be used first to reimburse BHA for payments made to third parties to monitor and review the School Traffic Survey as described in Section 6.3(c) above and to conduct the BHA Traffic Survey as described in Section 6.4 above. BHA shall spend any remaining liquidated damages to improve traffic conditions in the Brentwood community.

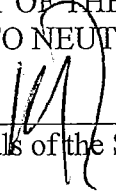
7. Arbitration.

7.1 Terms of Arbitration. In the event of any dispute over traffic-related issues, the parties hereto shall meet and confer to attempt to resolve such dispute for a period of ten days prior to initiating any arbitration. If the parties are unable to resolve their dispute through direct discussions, then the dispute shall be determined by arbitration in West Los Angeles before one arbitrator ("**Arbitration**"). The Arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules & Procedures. The cost of the Arbitration and attorneys' fees and experts' fees incurred by a party in any Arbitration shall be the sole responsibility of the party that incurs such expense. The arbitrator shall give effect to the requirements described in this Agreement and to statutes of limitation in determining any claim. Any arbitrator's judgment shall be final and non-appealable. Judgment upon the Arbitration award may be entered in any court having jurisdiction. The terms of this Section 7.1 shall survive termination of this Agreement. The arbitrator may enter and enforce injunctive relief as well as determine the amount of liquidated damages under Section 6.5 above. An arbitrator may not, under any circumstances, determine that this Agreement has been terminated by any Party.

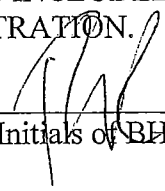
7.2 Notice That Disputes Are Subject to Arbitration.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE ARBITRATION OF DISPUTES PROVISION TO NEUTRAL ARBITRATION.



Initials of the School



Initials of BHA

8. Term. This Agreement shall expire or terminate upon the expiration or termination of the Amended Covenant.

9. Relation to Amended Covenant. In the event of any conflict or inconsistency between this Agreement and the Amended Covenant, this Agreement shall control. Except as expressly modified herein, the Amended Covenant shall remain unmodified and in full force and effect.

10. Waiver. No waiver of a breach, failure of any condition, or any right or remedy shall be effective unless in a signed writing, and no waiver shall constitute a continuing waiver unless the writing so specifies.

11. Miscellaneous. The Section headings are for convenience only and shall neither affect the construction or interpretation of any provision. This Agreement shall be binding on the parties and their respective successors and assigns. This Agreement and the Amended Covenant constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement may be amended only in a writing signed by the parties. This Agreement shall be governed by California law. This Agreement may be executed in any number of counterparts and by facsimile.

12. Recording. A memorandum of the Amended Covenant and this Agreement shall be recorded against the East Campus with the Los Angeles County Recorder.

13. Enforceability. The parties hereto acknowledge and agree that this Agreement is fully enforceable and shall constitute binding obligations on both parties. Notwithstanding any possible interpretation of language to the contrary in Sections 18.9 and 18.15 of the Amended Covenant, and fully acknowledging the existence of said Sections, the School: (a) expressly waives any and all rights it may have, and is estopped by this waiver, to challenge, or support any other party's challenge to, the enforceability of this Agreement based on the fact that RNBS is not a party hereto and has not executed or acknowledged this Agreement under Section 18.15 of the Amended Covenant; and (b) acknowledges that BHA is relying on the School's acknowledgments and waivers in this Section 13 in executing this Agreement and the Amended Covenant.

The parties have executed this Agreement as of the date first written above.

BHA:

BRENTWOOD HOMEOWNER'S
ASSOCIATION, a California non-profit
corporation

By: _____
Name: Robert Rene
Title: President

By: _____
Name: RAYMOND KLEIN
Title: SECRETARY

THE SCHOOL:

BRENTWOOD SCHOOL, a California non-
profit corporation

By: _____
Name: Michael Riera
Title: Head of School

By: _____
Name: David H. Wray
Title: Board Chair

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Los Angeles

On 09/10/2014 before me, Terri Leigh Siler-Gruenthal Notary Public
Date Here Insert Name and Title of the Officer

personally appeared David H. Wong and Michael Riera
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he/she~~ they executed the same in ~~his/her~~ their authorized capacity(ies) and that by ~~his/her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Terri Leigh Siler-Gruenthal
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Agreement Regarding Brentwood School and Brentwood Homeowners Assoc.
Document Date: May 16, 2014 Number of Pages: 11 including this certificate
Signer(s) Other Than Named Above: Brentwood Homeowners Assoc. Raymond Klein - Secretary Robert Rane

Capacity(ies) Claimed by Signer(s)

Signer's Name: David H. Wong

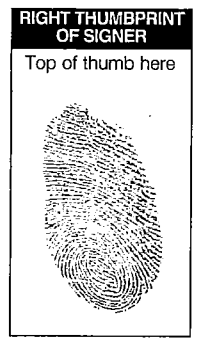
- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: Brentwood School Board Chair

Signer's Name: Michael Riera

- Corporate Officer — Title(s): _____
- Individual
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: Brentwood School Head of School

CALIFORNIA ALL PURPOSE ACKNOWLEDGEMENT

State of California

County of LOS ANGELES }

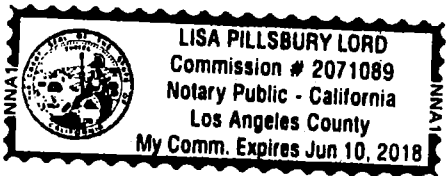
On 09/09/2014 before me, USA PILLSBURY LORD, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared RAYMOND KLEIN AND ROBERT RENE
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp above

Signature: *Lisa Pillsbury Lord*
Signature of Notary Public

EXHIBIT "A"
Section 6.5 Liquidated Damages - Overview

# of Consecutive Counts Where Trip Cap is Exceeded	Penalty	Reset
1	None	1 compliant count, then the NEXT count becomes new FIRST count
2	\$250 x (excess of 1st count + excess of 2nd count)	1 compliant count, then the NEXT count becomes new FIRST count
3	\$250 x excess of this count + ½ current East Campus tuition	1 compliant count, then the NEXT count becomes new FIRST count
4	\$500 x excess of this count + 1 full current East Campus tuition	2 compliant counts, then the NEXT count becomes new FIRST count
5	\$1,000 x excess of this count + 1 full current East Campus tuition	3 compliant counts, then the NEXT count becomes new FIRST count

With each subsequent consecutive count after #5 where the trip cap is exceeded, the penalty per car increases by \$1,000 and the reset number increases by one.

During the reset periods, if there is a non-compliant count before all of the required resets have been satisfied, the count becomes the next consecutive. For example, after consecutive non-compliant count #4, if there is one compliant count, then the next is non-compliant, that non-compliant becomes consecutive #5.