MONTESSORI CHARTER SCHOOL OF FLAGSTAFF, INC.

an Arizona Subchapter S Corporation

Strength and Stability of the Charter Holder/Corporate Board

Part 1: List of Corporate Officers and Directors

Montessori Charter School of Flagstaff, Inc. is a closely held Arizona subchapter S corporation, Arizona Corporation Commission File Number -0743980-7. Its President and Treasurer is James Evan Spencer. Its Vice President and Secretary is Marlane Kristen Spencer. The statutory agent of the corporation is James E. Spencer. The only corporate directors are James E. Spencer and Marlane K. Spencer. The qualifications of the shareholders/officers/directors of the corporation are addressed in the section covering the governing body. Resumes of both are included in the original charter.

Part 2: Role and Responsibilities of the Charter Holder

Were it not for the Open Meeting Laws, the charter holder/corporate board would also be the school's governing body. All of the directors and officers of the charter holder (a total of 2) are members of the governing body. Because of the provisions of the Open Meeting Laws, the School Governing Board is composed of 5 directors: the 2 corporate directors (the corporate board), the corporation's 2 CPA's, and a former Elementary School Director. Because all of the stock of the charter holder (MCSF, Inc.) is owned by two individuals who are also members of the Governing Board, the role of the charter holder is essentially the same as that of the Governing Board.

Part 3: Role of Charter Holder in Monitoring Academic Performance

Because of the relationship between the Charter Holder and the Governing Board, the Charter Holder monitors the academic performance of the school as part of the Governing Board and in the same fashion. The two stockholders of the Charter Holder actively participate in the day-to-day operations of the school.