



NOTICE OF MEETING OF THE BOARD OF DIRECTORS Notice is hereby given that a meeting of the Board of Directors of IDEA Public Schools will be held on December 19, 2019. The Board will convene in Open Session at 2:15pm. The Board meeting will be held via conference call pursuant to the rules adopted by the Administration Commission under s. 120.54(5). Such meeting is a regular meeting.

IDEA Florida

Board Meeting Agenda

December 19, 2019

Trey Traviesa, Chair
Lizzette Gonzalez-Reynolds, Secretary
Nick Rhodes, Director

Conference Call: 1-888-240-2560 | Code: 491 360 699

Call to Order: 2:15pm

Welcome: Chair Traviesa

1. **Approval of Minutes from October 7, 2019 business meeting** (Appendix A)
2. **Updates**
 - a. **Executive Director Tampa**
 - b. **Executive Director Jacksonville**
 - c. **VP Advancement**
3. **Action Items**
 - a. Approve management agreement between IDEA Florida, Inc. and IPS Enterprises (Appendix B)
 - b. Approve copyright agreement between IDEA Florida and IDEA Public Schools, Inc. (Appendix C)
 - c. Approve trademark agreement between IDEA Florida and IDEA Public Schools, Inc. (Appendix D)
4. **Public Comment**
5. **Member Comments**
6. **Adjourn**

Appendix A

IDEA Public Schools- Florida
Board of Directors Meeting
October 7, 2019

Summary of Motions and Approvals

The board passed a motion to approve the minutes from the May 3, 2019 board meeting.

Motion made by: Lizzette Gonzalez-Reynolds

Second to motion: Nick Rhodes

All in favor: Motion carries unanimously

The board passed a motion to authorize the chair to work with IDEA staff to carry out necessary administrative functions.

Motion made by: Lizzette Gonzalez-Reynolds

Second to motion: Nick Rhodes

All in favor: Motion carries unanimously

The board passed a motion to approve Eric Haug as local board counsel to review management agreements when there is a potential conflict.

Motion made by: Lizzette Gonzales-Reynolds

Second to motion: Nick Rhodes

All in favor: Motion carries unanimously

Board Members present: Trey Traviesa-Chair, Nick Rhodes, Lizzette Gonzalez-Reynolds-Secretary

IDEA Staff and Contractors present: Sam Goessling, Wyatt Truscheit, Adam Miller, Julene Robinson, Daniel Woodring

Audience present: Eric Haug

Meeting is called to order by Trey Traviesa at 1:02pm (EST)

Approval of Minutes

Trey Traviesa requested a motion to approve the minutes from the May 3, 2019, Board of Directors meeting.

Motion made by: Lizette Gonzalez-Reynolds.

Second to motion made by Nick Rhodes.

All in favor: Motion carries unanimously

Updates

Julene Robinson: Executive Director, IDEA Tampa

- PIR Update

- We have 5 Principals in Residence (PIRs) who relocated to Texas for the school year to participate in an intensive IDEA principals' program working side by side with a mentor principal at a high performing IDEA school.
 - 3 of 5 are from Florida and 2 reside in Tampa.

- Regional Staffing Update
 - We hired our Regional Director of Operations whose most recent experience was as the COO for a state department of Education.

- Community Engagement Update
 - Meeting with 6 of the 7 HCPS Board Members for 1:1 introductory partnership meetings as well as Jenna Hodgens, Supervisor of the HCPS Charter Office, and Tricia McManus, the Area Superintendent for the HCPS Achievement Schools.
 - Beyond the local Hillsborough school district, also engaging community leaders and families and parents including meetings with representatives from the Frameworks SEL, Hillsborough Education Fund, University Area Community Development Corporation, Hillsborough Parent Resource Center, Step Up for Students, and Hope Street.
 - We hosted three focus groups with parents who are zoned to attend PLPs in greater East Tampa to learn about needs/wants as well as dreams/aspirations for children's education and perspective on choice in education.
 - We are beginning outreach to local ministries, neighborhood associations, and community organizations to connect directly with families at local events.

- Regional Advisory Board Update
 - Our first IDEA Tampa Bay Regional Advisory Board member is Christina Barker, Vice President of Community Partnerships and Policy at Vinik Family Foundation and former Special Assistant to Mayor Buckhorn.

- Site Acquisition Update
 - First Site is at corner of Nebraska and Fowler
 - Under contract/in escrow, in later half of 60 to 90 day contingency period

- Several Letters of Intent (LOIs) for second site to be east/southeast of the first site
 - One option is east of Robles Elementary toward 301 & Harney
 - Another option is east of Oak Park Elementary toward 56th and Harney

Adam Miller, VP of Advancement

- External Affairs
 - Meetings with member of Florida House and Senate underway, with first meetings focused on Tampa and Jacksonville delegation.
 - Meetings with committee chairs are being scheduled for next committee weeks.
 - Focus of meetings is providing updates on IDEA's plans and progress.
- Schools of Hope
 - IDEA submitted a Schools of Hope grant application to the Department of Education for approximately \$52.9 million
- Florida Kick-Off
 - Julene Robinson, Adam Miller and Jose Luiz DeLeon attended the Florida Kick-off meeting at IDEA headquarters.
- Community Engagement- Jacksonville
 - Adam and Jose Luiz DeLeon are meeting with school board members and community leaders throughout Jacksonville.
- Jacksonville Notice of Intent
 - Staff are working on developing the Notice of Intent for Jacksonville and expect to submit in late winter or early spring.

Action Items

Action Item 1

Trey Traviesa introduced the item and explained that it will provide the chair with the authority to delegate administrative tasks to IDEA staff to complete, such as obtaining a tax identification number or opening a bank account.

Trey Traviesa looked for a motion to authorize the delegation of authority to the chair to work with IDEA staff to carry out necessary administrative functions.

Motion made by: Lizzette Gonzalez-Reynolds

Second to motion: Nick Rhodes

All in favor: Motion carries unanimously

Action Item 2

Trey Traviesa introduced the item and explained that IDEA Florida will need independent legal counsel when negotiating with IDEA Texas on items such as a management agreement or leases. Trey introduced Eric Haug and asked Eric to provide a brief bio.

Eric provided a brief bio (see profile in meeting packet)

Trey Traviesa looked for a motion to approve Eric Haug as local board counsel to review management agreements and leases when there is a potential conflict.

Motion made by: Nick Rhodes

Second to motion: Lizzette Gonzalez-Reynolds

All in favor: Motion carries unanimously

Discussion Item

Adam Miller explained that after IDEA Florida sets up its bank accounts IDEA will transfer funds into the account to allow the board to pay for administrative expenses as needed.

Adjourn

Trey Traviesa looks for a motion to adjourn at 1:30pm EST

Motion made by: Lizzette Gonzalez-Reynolds

Second to motion: Nick Rhodes

All in favor: Motion carries unanimously

I certify that the foregoing are the true and correct minutes of the meeting of the Board of Directors of IDEA Florida held on Oct 7, 2019.

Lizzette Gonzalez-Reynolds, Board Secretary

Appendix B

MANAGEMENT SERVICES AGREEMENT

THIS SERVICES AGREEMENT (this “**Agreement**”) is made and effective as of the 1st day of _____, 201_ (“**Effective Date**”), by and between IPS Enterprises, Inc., a Texas non-profit corporation (“**IPS**”) and wholly owned subsidiary of IDEA Public Schools, a Texas non-profit corporation (“**IDEA**”), whose address is 505 Angelita Drive, Suite 9, Weslaco, TX 78599, and IDEA Florida, Inc., a Florida non-profit Corporation (“**IDEA FL**”), whose address is _____ IPS and IDEA FL are sometimes referred to herein individually as a “**Party**” and together as the “**Parties.**”

Commented [DW1]: If we have a FL address, should plug in

RECITALS:

- A. IDEA FL has been approved to operate four Schools of Hope charter schools by the Hillsborough County School Board (also referred to as “**HCSB,**” or “**Charter Authorizer**”), with such schools opening in the 2021-22 school year.
- B. IDEA FL further represents that it may in the future submit applications to one or more Charter Authorities, including, but not limited to, **HCSB**, seeking approval to operate additional School of Hope charter schools in the State of Florida;
- C. IPS represents that, as a wholly owned subsidiary of IDEA, it has been approved by the Florida State Board of Education as a Hope Operator in Florida, and it has expertise in the management and operation of charter schools and provides comprehensive educational and operational support services to charter schools.
- D. IDEA FL desires that IPS provide to IDEA FL “**School Management Services**” (the “**Services**”) (all as described in Section 4) in connection with the development and operation of charter schools (individually the “**Charter School**” or collectively, the “**Charter Schools**”), and IPS is willing to accept such engagement and provide Services to IDEA FL, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions and premises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENTS:

1. **Engagement: Board Authority: Relationship.**

1.1 Engagement. IDEA FL hereby: (i) engages IPS for the purpose of providing the Services; and (ii) grants IPS the right, power and authority necessary to perform the Services upon the terms and conditions set forth herein, to the full extent permitted by applicable law and the Performance Based Agreement(s) under which IDEA FL operates. IPS hereby accepts such engagement, for the term set forth herein, to act on behalf of IDEA FL for the purposes set

forth herein, with such authority as delegated to IPS herein or by subsequent resolutions by IDEA FL Board of Directors, subject to the terms and conditions of this Agreement and in compliance with Florida Statutes §1002.333 (“**the Act**”), other applicable law, and each Performance Based Agreement that IDEA FL may enter into with any Charter Authorizer in Florida (any or all such contracts, regardless of their designation by the applicable governing Charter Authorizer, the “**Charter Contract(s)**”). IDEA FL agrees to engage IPS to provide School Management Services, pursuant to this Agreement, with respect to every charter school IDEA FL is authorized to operate.

1.2 Board Authority. Notwithstanding any provision contained herein, IPS acknowledges and agrees that IDEA FL is and shall be governed by its Board of Directors (the “**Board**”). IPS shall provide the Services to IDEA FL subject to the Board’s direction, oversight and policies, the requirements of this Agreement, the Act, the Performance Based Agreements, and other applicable law. Nothing in this Agreement shall be construed to interfere with the Board’s authority and ability to perform its obligations under the Performance Based Agreement “Charter Contract(s),” or its statutory and fiduciary responsibilities governing all Charter School and IDEA FL corporate operations.

1.3 Relationship of the Parties.

1.3.1 The Parties agree that, subject to applicable laws, regulations, duties and obligations of the Parties, IPS and IDEA FL shall carry out their respective rights, duties and obligations under this Agreement working together in good faith, in a cooperative manner and to minimize disruption in the orderly functioning and administration of IDEA FL.

1.3.2 IDEA FL designates IPS and IPS’s teachers, administrators, counselors and staff, as agents of the Charter Schools having a legitimate educational interest for the purpose of entitling such persons, access to education records under The Family Educational Rights and Privacy Act, 20 U.S.C. §1232g (“**FERPA**”), and under applicable Florida law. IPS shall comply with all applicable FERPA and state law requirements.

1.3.3 There shall be no modification of, addition to, or deletion from the Services, unless set forth in a writing and signed by the Parties.

1.3.4 The relationship between IDEA FL and IPS is based upon the terms of this Agreement and any other written agreements between IDEA FL and IPS. This Agreement shall create only an independent contractor relationship and shall not be construed or interpreted to create an employer-employee, partnership, joint-venture or other legal relationship or entity between IDEA FL and IPS. While performing under this Agreement, neither Party shall represent the other Party in any dealings or transactions except as expressly authorized herein and neither Party shall represent any relationship except for the relationship specified herein. Except in the performance of the Services by IPS or any of its employees or contractors in accordance with this Agreement, neither Party may enter into, bind or attempt to bind the other Party to any contractual obligation or duty and each Party shall be solely responsible for its acts and omissions and for the acts and omissions of its directors, officers, employees, agents and contractors. Except in the performance of the Services by IPS or any of its employees or contractors in accordance with this

Agreement, or as IDEA FL may authorize in writing, IPS is not authorized to act on behalf of IDEA FL and any attempt to do so shall be null and void.

1.4 Cooperation. The Parties shall cooperate with each other in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for each Party to properly perform its responsibilities under this Agreement, subject, in all cases, to any confidentiality obligations a Party may have. Further, the Parties shall cooperate in scheduling and related matters, including IDEA FL providing timely written notice to IPS of Board meetings of IDEA FL where IPS representatives shall be invited to attend. An IPS representative shall be entitled to attend any general IDEA FL Board discussions, but not any shade sessions, except where permitted by applicable law.

2. **Term.**

2.1 Agreement. Subject to Section 13 and unless earlier terminated as provided herein, the Term of this Agreement shall commence on _____ 1, 2019, and shall run through June 30, 2026, unless terminated by either Party to the extent termination rights are provided in this Agreement. IPS's Services shall cease upon the termination of this Agreement unless the term of this Agreement is renewed or extended as provided herein. Upon expiration or termination of this Agreement, regardless of the reason, IPS shall be entitled to, and shall promptly receive, all fees and reimbursement of all expenses pursuant to Sections 6 and 7 due and payable through the effective date of expiration or termination.

2.2 Automatic Renewal. This Agreement shall renew automatically pursuant to the terms established in Exhibit "A."

2.3 Additional Charter Contracts and Charter Schools. The initial term of this Agreement relating to any subsequent or additional charter contracts shall be from when the Performance Based Agreement ("PBA") is approved and for not less than the end date of the PBA term for each (s) respective New School(s).

3. **Responsibilities of IDEA FL.**

3.1 Operations of IDEA FL. IDEA FL is responsible for overseeing all Charter Schools and all corporate activities and operations of IDEA FL. In determining IDEA FL's operations and activities, IDEA FL shall, in good faith, consider the recommendations of IPS on issues including, but not limited to, policies, rules, regulations, procedures, curriculum and budgets, subject to the constraints of the Act and applicable law and the requirements of the relevant Charter Contract. If IDEA FL chooses to adopt one or more policies, rules, regulations, procedures, curricula and/or budgets other than that recommended by IPS and IPS believes such adoption to be contrary to the best interest of the Charter Schools or contrary to the maintenance of the high quality standards for the Charter Schools set forth in the Trademark License Agreement dated as of __, 2019 ("**TM Agreement**"), and material to IPS's management or operations of the Charter Schools, then IPS may so notify IDEA FL in writing of the basis for such position, and request IDEA FL to reconsider the particular policy, rule, regulation, procedure, curriculum and/or budget item. If after such a request IDEA FL determines to affirm its prior decision, and IPS

determines IDEA FL's alternative is not a viable alternative for the Charter Schools' ongoing programs and operational objectives, then IPS may, in its sole discretion, terminate this Agreement upon sixty (60) days prior written notice to IDEA FL, to terminate at a time before the start of a school term, or at the end of the fall or spring school term, whichever date is closer.

3.2 Facilities. Subject to IPS's facility acquisition work, IDEA FL remains ultimately responsible for the lease or acquisition of facilities for the Charter Schools and will cooperate and work with IPS in good faith to provide such facilities and all materials as well as all equipment and supplies that are necessary and appropriate to provide an adequate learning environment for its students and that comply with all of the requirements of the Charter Contract and applicable law.

3.3 Cooperation. IDEA FL shall cooperate with IPS in promptly furnishing all information and documents and submitting all forms and reports that may be necessary or convenient for IPS to perform its responsibilities under this Agreement properly.

3.4 Legal Counsel. IDEA FL is responsible for selecting, retaining and payment of fees for its local legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement and applicable law. IPS is responsible for selecting, retaining and payment of fees for its legal counsel to advise it regarding its rights and responsibilities under the Act, this Agreement, applicable law and with respect to ongoing School operations. IPS legal counsel may act on behalf of IDEA FL to the extent there is a unity of interest with IPS and no legal conflict.

3.5 Charter Contract. IDEA FL shall not act, or fail to act, in any manner that may result in a breach of any of its Charter Contracts or applicable law.

3.6 Evaluation of IPS. At its sole option and expense, IDEA FL may conduct an annual review of the performance of IPS in terms of IPS's compliance with the terms of this Agreement and applicable requirements of the Charter Authorizer(s). If such annual review is conducted, IPS will be evaluated against a set of metrics to be mutually agreed upon by IDEA FL and IPS, subject to change annually as desired and agreed to by both parties. Should IPS fail to meet the agreed to and required metrics for two consecutive years, IPS shall prepare and present a corrective action plan to IDEA FL and if it fails to meet the agreed to metrics and corrective action plan after the third consecutive year, IDEA FL shall have the option to terminate this agreement immediately and find a new School of Hope qualified educational services provider, or place IDEA on a probationary term for one additional year. If IPS fails to meet the required metrics for a fourth consecutive year, this Agreement may be terminated at the sole discretion of IDEA FL.

3.7 Place of Performance. The Parties shall, by separate agreement, work together in good faith to provide for reasonable and necessary office and administrative space to perform the Services. Except as prohibited by the Charter Contract, the Act or other applicable law, IPS reserves the right to perform a portion of the Services off-site at other locations and outside the State of Florida.

3.8 Charter School Budget. IDEA FL is responsible for adopting an annual Charter School budget or budgets for each fiscal year for each Charter School in a timely manner and as required by applicable law (each, or collectively, the "**Annual Budget**") that has adequate

resources to fulfill its obligations under the Charter Contract and this Agreement and in order to sustain the high quality standards set forth in the TM Agreement including, but not limited to, its oversight of IPS, operations and activities of the Charter Schools, payment for the Services, equipment, insurance, annual financial audits and other expenses, and, with respect to revenues, including equalization payments and Minimum Foundation Program funding, federal funding (if any), local funding, grants, donations, contributions, operational and activities revenues and all other revenues (collectively, the “**Revenues**”). To that end, and subject to any requirements of a particular Charter Contract, or the applicable requirements of a governmental authority, each fiscal year, the Board will adopt a provisional budget for each Charter School pending adoption and approval of an Annual Budget by the governing body of each such Charter School as and when required by applicable law. The Board shall then review and modify, if necessary, and then ratify and approve such budget or budgets within sixty (60) days after the governing body of each Charter School has adopted such Annual Budget. In addition, IDEA FL is responsible for approving revisions and amendments to such Annual Budget to reflect necessary deviations from the adopted Annual Budget.

3.9 Communication and Notice. IDEA FL agrees to communicate with IPS and timely notify IPS of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect IPS in complying with or performing its obligations and responsibilities hereunder.

4. **Responsibilities of IPS.**

4.1 Services.

4.1.1 IPS shall, subject to IDEA FL’s authority, manage, administer, oversee and supervise all the operations and activities of the Charter Schools and shall provide IDEA FL with the “**School Management Services,**” as expressly delineated and defined on Exhibit “B” hereto and incorporated herein by this reference.

4.1.2 IPS acknowledges that in entering into this Agreement IDEA FL is relying on IPS’s expertise, skill and professional competence in the areas of both educational and management services of charter schools. IPS shall provide the Services in a competent and efficient manner in accordance with the standard of performance within the industry in Florida. IPS agrees that any contractors, faculty or staff provided by IPS will be skilled and trained in the relevant professional discipline for the Services and compliant with all State and federal requirements.

4.2 Compliance. IPS acknowledges that this Agreement is subject to the terms of the Charter Contract(s), and other Federal and State laws applicable to charter schools, specifically Schools of Hope. In providing Services to IDEA FL, IPS is responsible for selecting and retaining legal counsel to advise it regarding its responsibilities and obligations under the Act, this Agreement, the Charter Contracts, and applicable law. IPS agrees that, to the extent applicable to the Services, IPS will comply with the terms and provisions of the Charter Contract(s), and other federal and State laws applicable to charter schools and the performance of the Services. If IDEA FL is, at any time, determined to be out of compliance, IPS shall promptly cooperate to correct

such deficiency or, if appropriate, cooperate to challenge such initial determination and shall participate in any corrective action plan approved by the Charter Authority, the Internal Revenue Service (“IRS”) or any other federal or State agency, to remedy such noncompliance to the extent that the noncompliance and corrective action are related to the Services. IPS shall not act, or fail to act, in any manner that may result in breach of, the Charter Contract(s) or other laws applicable to the Services or operation of the Charter Schools.

4.3 Contracting. Except as expressly prohibited by the Charter Contract(s), or other applicable law, IPS may contract or subcontract all or any part of the Services required by this Agreement, delegating the performance of, but not the responsibility for, any duties and obligations of IPS hereunder to a qualified independent contractor, expert or professional advisor. The costs or expenses of such contracts or subcontracts may be treated as a “**Pass-Through Expense**” or a “**Direct Payment**” as defined in Exhibit “B”, to the extent permitted by the Charter Contract(s), or applicable law, if the expenses are within the “Category Cap” defined in Exhibit “B” or otherwise approved by IDEA FL through a budget amendment. IPS will be responsible for any breach of this Agreement by its subcontractors or failure of its subcontractors to comply with, Charter Contract(s) or any applicable law.

4.4 Furnish Information. IPS is responsible for timely providing IDEA FL with all of the information that may be necessary (i) to fulfill IDEA FL’s reporting requirements under the Charter Contract(s); (ii) for the applicable Charter Authorizer or State or Federal agency’s oversight of Charter School operations or IDEA FL; and (iii) to comply with the Charter Contract and/or applicable law, including the Internal Revenue Code. Additionally, IDEA FL may require, upon reasonable notice, IPS to attend meetings of the Board to provide reports on operations at the Charter School(s), updates on New Schools or materials on other matters related to the Services. Upon termination of this Agreement, IPS shall cooperate in good faith with IDEA FL in transitioning all records and materials for continued operation of the Charter Schools to IDEA FL’s designated School of Hope provider, excluding any intellectual property of IPS or matters subject to the TM Agreement.

4.5 Acquisitions. If IPS makes or directs any personal property acquisitions using IDEA FL funds, which shall not include any Fee or reimbursement paid to IPS by IDEA FL, for personalty including, without limitation, instructional materials, equipment, supplies, furniture, computers or other assets, shall be owned by and remain the property of IDEA FL. IPS shall not add any administrative charges or fees to the cost of such acquisitions in excess of the fees and charges specified herein. All property or assets acquired by IPS with its own funds shall be owned by and remain the property of IPS. IPS shall maintain records sufficient to establish the ownership of such assets acquired by IPS with its own funds and those, if any, acquired by IDEA FL with its funds.

4.6 Communication and Notice. IPS agrees to communicate with the Board and timely notify the Board of any anticipated or known: (i) material health or safety issues; (ii) labor, employee or funding problems; and (iii) problems of any other type that could adversely affect the Board or IDEA FL or the Charter Contract(s).

4.7 IPS Offices. Although IPS may maintain other offices at other locations, subject to Section 3.7, IPS shall maintain offices at each Charter School for management and administrative services at such Charter School, as IPS determines necessary or appropriate.

4.8 Other Services. The Services to be provided by IPS to IDEA FL under this Agreement comprise only those duties, responsibilities and obligations of IPS expressly stated herein. IPS shall not be obligated to provide any additional or other services to IDEA FL except as may be mutually agreed in writing between IPS and IDEA FL in compliance with Section 16.4920.

4.9 Maintenance of 501(c)(3) Status.

4.9.1 Operations. The principal activity of IPS is serving Kindergarten through 12th grade students by engaging in a full array of educational activities related to operating schools. IPS operates, and during the entire term of this Agreement shall operate, in a manner that is not materially different from the purposes, character, activities, and methods of operation that formed the basis for the determination by the IRS that IPS is exempt from federal income taxation as an organization described in section 501(c)(3) of Code and that IPS is not a private foundation under section 509(a)(1) of the Code. Furthermore, during the entire term of this Agreement, IPS will:

- a. Not allow more than an insubstantial part of its activities to be:
 - (i) The carrying on of propaganda or otherwise attempting to influence legislation by contacting, or urging any person to contact, any member or members of a legislative body for the purpose of proposing, supporting, or opposing legislation, or some combination thereof; or
 - (ii) Advocating or campaigning for the adoption or rejection of legislation;
- b. Not participate or intervene, directly or indirectly (including the publication or distribution of written or printed statements or the making of oral statements), in any political campaign on behalf of or in opposition to any individual who offered himself or herself, or was proposed by others as a contestant for an elective public office (whether such office was national, state, or local);
- c. Not allow any part of IPS's net income to inure to the benefit of any private shareholder or individual; and
- d. Timely file or cause to be filed all materials, returns, reports and other documents which are required to be filed with the IRS.

For purposes of this Section 4.9, the term "legislation" includes action by the Congress of the United States, by any state legislature, by any local council or similar

governing body, or by the general public in a referendum, initiative, constitutional amendment, or similar procedure.

4.9.2 Unrelated Trade or Business Activities. Notwithstanding any other provision of this Agreement, IPS will not perform activities under this Agreement that constitute for IPS an “unrelated trade or business” as defined in Section 513 of the Code.

4.9.3 Notification to the School. IPS will notify IDEA FL within three (3) business days if IPS receives a notice or communication from the IRS indicating that IPS’s 501(c)(3) status is under review or that the IRS has revoked, or proposed revocation of, IPS’s 501(c)(3) status. In addition, IPS will timely notify the School (i) if IPS determines that any activities that IPS is required to perform under this Agreement are activities that constitute an “unrelated trade or business” as defined in Section 513 of the Code and (ii) of any changes in its organizational documents or method of operations to the extent that IDEA FL does not already have knowledge of such changes.

4.9.4 Modification of Covenants. To the extent that published rulings of the IRS, or amendments to the Code or the Regulations require modification of the covenants of IPS that are set forth in this Agreement to preserve the excludability from federal gross income of interest on obligations issued for the benefit of IDEA FL, IPS and IDEA FL will comply with such modifications.

5. Representations and Warranties.

5.1 IDEA FL’s Representations and Warranties. IDEA FL hereby represents and warrants to IPS that:

5.1.1 it is duly organized and existing as a Florida nonprofit corporation and an educational institution or organization established under the Act and is in good standing under the laws of Florida; it will maintain, extend and renew its corporate existence under the laws of Florida, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated, its activities restricted or its nonprofit 501(c)(3) status rescinded;

5.1.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.1.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IDEA FL under any other instrument or agreement to which IDEA FL is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IDEA FL;

5.1.4 there are no pending actions, claims, suits or proceedings filed or, to its knowledge, threatened or reasonably anticipated against or affecting it, which, if adversely

determined, would have a material adverse effect on its ability to perform its obligations under this Agreement; and

5.1.5 prior to the Board's approval and IDEA FL's execution and delivery of this Agreement, each member of the Board and IDEA FL's legal counsel were given ample opportunity to review and discuss this Agreement.

5.2 IPS's Representations and Warranties. IPS hereby represents and warrants to IPS that:

5.2.1 it is duly organized and existing as a Texas non-profit corporation and is in good standing under the laws of the State and under IRS regulations and registered to transact business in Florida; it will maintain, extend and renew its corporate existence under applicable laws, and it will not do, suffer or permit any act or thing to be done whereby its right to transact its functions might or could be terminated or its activities restricted;

5.2.2 it has full authority and power to enter into this Agreement and it has been duly authorized to execute and perform this Agreement;

5.2.3 the execution, delivery, and performance of this Agreement will not conflict with or constitute a breach of or default by IPS under any other instrument or agreement to which IPS is a party or by which its property is bound and will not constitute a violation of any order, rule, or regulation of any court or governmental agency having jurisdiction over IPS;

5.2.4 there are no pending actions, claims, suits or proceedings filed or, to its knowledge, threatened or reasonably anticipated against or affecting it, which, if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement; and

5.2.5 prior to IPS's execution and delivery of this Agreement, IPS and its legal counsel were given ample opportunity to review and discuss this Agreement.

5.3 Disclaimer of Warranty. IPS makes no expressed or implied warranties as to any matter whatsoever with regard to any equipment, materials or supplies purchased on behalf of or for use at IDEA FL including, without limitation, the condition of any such item, its merchantability or fitness for any particular purpose. No defect or unfitness of any equipment, materials or supplies shall relieve IDEA FL of its obligations to pay for use of the item or of any other obligation under this Agreement.

5.4 Warranties. IPS shall have the right to enforce any existing manufacturer warranties on all equipment, materials or supplies purchased on behalf of or for use at IDEA FL.

6. **Compensation: Fee.**

6.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings indicated below:

“**Funding Date**” means, with respect to a New School, the date from which the school is entitled to receive FEFP funds, which would generally be July 1 of the first school year in which students are enrolled in the school.

“**New School**” or “**School**” means any School of Hope charter school for which IDEA FL desires to engage IPS to provide, and IPS is willing to provide, School Management Services.

6.2 New School Development Services. [Intentionally deleted and reserved for future potential amendment]

6.3 IPS’s Fees for New Schools. From and after the Funding Date for each School campus opened, IDEA FL shall pay IPS a Fee for School Management Services for such School, as set forth below. The Fee shall be equal to the applicable Fee Percentage set forth in Section 6.4 multiplied by the School’s total revenues (both governmental and non-governmental) as received during each fiscal year. The Parties shall mutually agree to adjust the revenues that fees are based on where required by applicable law. Revenues received shall not include funds received under 1002.333(10) from the School of Hope Program.

6.4 Fee Percentage. For each School, the applicable Fee Percentage shall be fifteen percent (15%) of total revenues received by the School.

6.5 Payment of Fee. For each Charter School, IDEA FL shall pay IPS’s Fee for School Management Services in twelve (12) monthly installments.

6.6 Invoices; Late Fees. IPS shall submit invoices by the 12th day of each billing month or by such earlier or later date as the independent certified public accountant engaged by IDEA FL pursuant to Section 7.2.3 determines to be appropriate. All invoiced amounts (other than the Fee) shall be due and payable within five (5) business days or otherwise as specified in the applicable IPS invoice. If IDEA FL fails to pay an undisputed invoice in full within ten (10) days after the invoice due date, interest shall accrue on the outstanding balance at a rate of 1.5 percent per month. Without affecting its right to earlier terminate this Agreement under Section 15.1.1, IPS reserves the right to cease providing the Services if IDEA FL’s account remains past due for more than thirty (30) days until such time as IDEA FL’s account is brought current.

6.7 Without waiving its rights under this Management Services Agreement and in consideration of the commendable and important work that IDEA FL is undertaking, and continues to undertake, for its students, IPS reserves the right, within its sole discretion, to decrease, forbear, delay or forgive any outstanding amount of fee balance due and payable, if IPS, in its sole discretion, determines that such action is in the best interest of the charter holder and students served. The above notwithstanding, IPS’s unilateral decrease, delay, forbearance or forgiveness of the outstanding Fee balance does not otherwise waive any rights of IPS under the Agreement. Accordingly, IPS reserves the right to take appropriate action, in the future, under Section 6.6 and Section 15.1.1.

6.8 Reasonable Compensation. The Parties agree that based on a comparison of services to be performed and other management organizations available and reported fees, that the Fee described above is fair, reasonable and not excessive. If and to the extent required by law, IPS shall select and engage a qualified specialist to determine whether the Fee under this Agreement is reasonable compensation for the Services. If the qualified specialist determines that the Fee is not reasonable compensation for the Services, the Parties shall negotiate in good faith an adjustment to the Fee that constitutes reasonable compensation for the Services, as confirmed by such qualified specialist. Any Fee paid under this Agreement determined not to be reasonable compensation by the qualified specialist shall be reimbursed by IPS within thirty (30) days of such determination, and any amount not reimbursed, together with 1.5 percent per month from the date of disbursement until reimbursement, in that time period may be withheld by IDEA FL from IPS's future Fee or other payments until the amount owed to IDEA FL has been recovered. The costs of the qualified specialist's work shall be paid for by IPS and reimbursed by IDEA FL if the Fee is found ~~the-to~~ be reasonable compensation.

7. **Financial Obligations**

7.1 Annual Audit. IDEA FL shall be responsible for the cost of the annual audit required by the Charter Contract(s), the Act and applicable law. IPS shall cooperate in the preparation of the annual audit and any other accounting or financial reviews that are undertaken by independent auditors approved or selected by the Board and paid from IDEA FL funds. IPS shall make all of IDEA FL's financial and other records related to IDEA FL available to the auditor as required by applicable law. IPS shall produce such records at IDEA FL's offices.

7.2 Expenses. IDEA FL shall also be responsible for all expenses of IDEA FL (other than expenses that are included in the Fee, as set forth in Exhibit "B") and IPS shall have no obligation to pay such expenses from its own funds. IPS may incur and pay "**Pass-Through Expenses**" and "**Direct Payments**", as those terms are defined in Exhibit "B," and in accordance with this Section 7.2.

7.2.1 Without limiting the foregoing, in addition to IPS's Fee, IDEA FL shall make Direct Payments or permit Pass-Through Expenses, for all costs and expenses incurred for, without limitation: (i) salaries, wages, benefits and workers' compensation insurance premiums for faculty and staff; (ii) required payroll taxes, withholdings and other amounts due with regard to payroll; (iii) all debt service, including, without limitation, any bond finance debt; (iv) educational services and materials and any other expense that is not included in IPS's Fee that is necessary for the operation of the Schools in accordance with the high quality standards set forth in the TM Agreement and is within the approved budget levels.

7.2.2 For those expenses that are payable directly by IDEA FL, IDEA FL may, consistent with authority granted by the Board, authorize and establish a IDEA FL account for which appropriate IPS representatives are permitted signers on the account and shall fund such an account on a quarterly basis with sufficient funds to permit IPS to make Direct Payments for IDEA FL's legitimate and ordinary operating expenses, such as utility bills and office supplies.

7.3 Deposits; Banking. IPS and IDEA FL shall mutually agree on and select depository institutions and accounts for all Revenues received by IDEA FL; and all Revenues received by IDEA FL shall be deposited in such accounts. All interest and investment earnings on IDEA FL's deposits shall accrue to IDEA FL. The signatories on such accounts shall be designated by the Board, but may include representatives of IPS with limits of authority to be set by IDEA FL where required by applicable law. The depository institutions selected, shall be, to the extent possible, institutions with branches convenient to both IPS and IDEA FL to facilitate its services under this Agreement

7.4 Account Management and Expenditures. IPS shall supervise, manage, disburse and account for all Revenues consistent with the Annual Budget, the Act, this Agreement, the Charter Contract(s), Florida Department of Education and Florida State Board Education policy, local Authorizer policy, Board resolutions and applicable law. Revenues shall be used to pay for the fees or expenses associated with IDEA FL's operation. IPS shall provide the Board regular, accurate and complete documentation for dispersed fees and expenses review by the Board. The Board retains the authority to disapprove expenditures not within the Approved Budget nor otherwise approved or ratified by the Board. IPS shall not make any disbursements of IDEA FL Revenues in excess of authorized limits, the Annual Budget or approved expenditures without the prior authorization of the Board. To the extent such expenditures are made by IPS and disapproved by the Board, IPS shall promptly and fully reimburse the unauthorized expenditures from its own funds and pay to IDEA FL interest on such unauthorized expenditure or portion thereof at the rate of 1.5 percent per month from the date of disbursement until repayment.

7.5 Accurate and Complete Recordkeeping and Reporting. To assure the highest degree of accuracy in recordkeeping, the Acceptable Use Policy ("AUP") will be designed to use a larger sample of transactions than is customary practice and, upon reasonable request of IDEA FL, IPS shall provide the Board with records supporting expenditures of IDEA FL funds made by IPS during the previous quarter. IDEA FL may request, at its discretion, monthly financial statements, to be delivered not later than the 15th day of the month after the end of the month covered by the financial statements.

7.6 Quarterly Management Report. IPS is responsible for implementing reasonable information and reporting systems for IDEA FL that will enable IDEA FL to monitor key areas of business, legal and regulatory compliance and risk in its Charter Schools. IPS will prepare a written management report for presentation at each Board meeting where requested by IDEA FL with sufficient notice. The report will address academic performance, student enrollment, teaching resources, New Schools activity, legal and regulatory compliance, organizational structure and risk management, providing an overview of what has occurred in each of these areas since the last management report, including any items of concern, improvement or changes in noted items of concern from prior reports, areas needing additional attention or resources from IDEA FL, steps IPS has taken to control or mitigate any areas of concern, and other detail material or relevant to the Services and IDEA FL's operations of the Charter School(s). The Board will be given the opportunity to review and discuss the report with knowledgeable IPS personnel at a Board meeting and to request additional information and follow up, as deemed necessary.

7.7 Marketing Costs and other Expenses. Marketing and development costs, and other expenses, including office expenses and personnel expenses, paid by or charged to IDEA FL shall be limited to those costs or expenses specific to IDEA FL and the Services, and shall not include any costs or expenses for IPS or IPS's other clients.

7.8 Availability of Funds. IPS shall only be required to perform its duties and obligations hereunder to the extent that there are sufficient and timely Revenues available to make payments in accordance with the terms of the Annual Budget, unless such budget shortfalls are caused by or arise from IPS's own grossly negligent or intentional acts or omissions.

7.9 IPS's Other Clients. IDEA FL acknowledges that IPS may have other school and non-school clients. IPS shall maintain separate accounts for each client and shall only charge IDEA FL for expenses incurred by or on behalf of IDEA FL.

8. **Staffing.**

8.1 Charter School Staff. IPS, pursuant to the authority granted from the Board, is responsible for hiring, managing, retaining and discharging (as deemed appropriate), except as otherwise specified herein, the faculty, personnel, contractors, professionals, staff and administrators, whether independent contractors to or employees of IPS, or of IDEA FL of the Charter School in conformance with applicable law and the Charter Contract ("**Charter School Staff**"). IPS shall recommend to IDEA FL, for employment or discharge by IDEA FL, each candidate for Head of School, which recommendation shall be considered and acted on by the Board. IDEA FL may make recommendations to IPS regarding the hiring and discharging of the IDEA FL Executive Director for IPS's consideration. All of the Charter School Staff shall be employees or contractors of IPS, with the exception of each schools Head of School, who shall be employed by IDEA FL

8.2 New Schools Development Staff. [Intentionally deleted and reserved for future potential amendment].

8.3. Other Personnel. IPS may from time to time recommend assignment to IDEA FL of a person(s) IPS deems advisable to perform some Services for IDEA FL in relation to IDEA FL's corporate and Charter School operations. Any such person not a Charter School Staff, whether independent contractors to or employees of IPS, assigned to IDEA FL by IPS, or for whom IPS wishes to be reimbursed by IDEA FL ("**Other Personnel**"), must be pre-approved by IDEA FL, including the total compensation to be paid to such person, prior to assignment by IPS, or no reimbursement will be provided. All of the Other Personnel shall be employees or contractors of IPS.

8.4 Removal or Replacement. Notwithstanding the foregoing, but subject to and in compliance with IPS's contractual obligations and labor and employment agreements, the Board shall retain the right to request the removal or replacement of any Charter School Staff or Other Personnel assigned to IDEA FL or a Charter School by IPS.

8.5 Compliance; Background Checks; Policies. IPS will ensure initial and updated criminal background checks are completed as required by Florida Law prior to employment of all Charter School Staff or Other Personnel who are required because of the scope of their work to pass a background check. IPS is responsible for developing, implementing and administering (i) payroll policies and procedures; (ii) personnel policies and procedures; and (iii) welfare and benefit plans, for all employees or others entitled to be covered by such policies and plans, including the Heads of School employed by IDEA FL, and those who are assigned to IDEA FL by IPS.

8.6 IPS Management and Staff. Subject to IPS's unfettered rights with respect to management and structure of its own management and staff, site managers shall be employed and paid by IPS, without reimbursement by IDEA FL for any wages, salaries, bonuses, benefits, workers' compensation insurance premiums, unemployment insurance, payroll taxes, withholdings or other payroll costs.

8.7 Compensation of Charter School Staff and Other Personnel

8.7.1 All Payroll Costs (as defined below) of the Charter School Staff and Other Personnel, whether full-time or part-time, shall be paid by IPS, subject to direct reimbursement by IDEW FL for the Payroll Costs as set forth in Section 8.7.2; provided, however, that for Charter School site managers, IDEA FL will only reimburse the foregoing amounts incurred by IPS prior to the Funding Date.

8.7.2 "Payroll Costs" means, subject to the terms of Section 8.7.3 total expense of all such Charter School Staff's or Other Personnel's payments, wages, salaries, benefits, workers' compensation insurance premiums, payroll taxes, unemployment insurance, or other payroll costs (not deducted from gross pay), as applicable to the individual in issue.

8.7.3 IPS acknowledges that IDEA FL, as an organization to be recognized as tax-exempt under Internal Revenue Code Section 501(c)(3), is prohibited from engaging in private benefit or private inurement (as those terms have been interpreted and defined by the Internal Revenue Code, Treasury Regulations, the IRS and/or courts), which includes a requirement for payment of only reasonable compensation for services rendered, and IPS agrees that IDEA FL shall only be responsible for reimbursement of Payroll Costs that are reasonable compensation for the services rendered. Upon request, but no more frequently than annually, IPS shall provide IDEA FL with a list of employees and the Payroll Costs paid by IPS for which IPS has been, or is requesting to be, reimbursed by IDEA FL for the services rendered by the Charter School Staff or Other Personnel. IPS shall provide to IDEA FL upon request the basis for compensation for persons identified in the list. IDEA FL reserves the right, at its sole cost and expense, to audit the Payroll Costs, including engaging a qualified specialist to determine the reasonableness of the Payroll Costs. Any Payroll Costs reimbursed by IDEA FL to IPS determined not to be reasonable compensation by a qualified specialist, by the IRS on audit of IPSL, shall be reimbursed by IPS within thirty (30) days of such determination, and any amount not reimbursed in that time period may be withheld, together with 1.5 percent per month from the date of disbursement until reimbursement, by IDEA FL from IPS's future Fee or other payments until the amount owed to IDEA FL has been recovered. Notwithstanding any other provision in this

paragraph, no Charter School Staff or Other Personnel shall be paid a percentage of net revenues or any other basis that gives rise to private inurement with respect to the staff or personnel member.

8.7.4 IDEA FL shall promptly notify IPS if IDEA FL receives a notice of assessment of, or if IPSL is determined by any governmental authority to owe, any federal or State excise, unemployment, withholding, income or social security taxes (any or all of the foregoing, “Taxes”) with respect to Payroll Costs for which IDEA FL previously reimbursed IPS. IPS will cooperate with IDEA FL in its efforts to obtain information to defend such assessment or determination. IPS shall promptly take all appropriate action to seek a refund from the appropriate governmental authority(ies) of any such previously reimbursed Taxes it had paid for a similar time or period for the same employees or contractors (“Refund”). IDEA FL will cooperate with IPS in IPS’s efforts to seek a Refund. IPS will promptly remit any Refund to IDEA FL. Additionally, if IDEA FL can demonstrate that such Taxes, were the result of IPS’s actions or failure to act, IPS will also reimburse IDEA FL for any penalties, interest or similar charges due on such Taxes and paid by IDEA FL.

9. **Insurance.**

9.1 **General Liability Insurance.** Each Party shall, at its own expense, maintain general liability insurance, including, without limitation, bodily injury and property damage insuring itself with a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate limit of liability coverage. Each Party shall provide the other Party with a certificate evidencing such insurance and showing the other Party as an additional insured.

9.2 **Workers’ Compensation Insurance.** Each Party shall maintain workers’ compensation insurance where required by law to cover their respective employees (if any) and shall provide the other Party with a certificate or certificates of such insurance. The cost of such insurance shall be paid as specified herein.

9.3 **Automobile Insurance.** Each Party shall, at its own expense, maintain comprehensive automobile insurance, insuring itself with a minimum of \$1,000,000.00 combined single certificate evidencing such insurance and showing the other Party as an additional insured.

9.4 **Cancellation; Subrogation.** Each insurance policy required herein shall provide for not less than 10 days written notice to the other Party in the event of cancellation or material change of coverage. To the maximum extent permitted by its insurance policies, each Party, for the benefit of the other Party, waives any and all rights of subrogation which might otherwise exist (and the certificate required herein shall indicate such waiver of subrogation).

10. **Indemnification.** Each Party agrees that the fullest extent permitted by law, it will indemnify, defend, save and hold the other Party, and its directors, officers, employees, agents and other representatives harmless for, from and against any and all manner of loss, cost, expense (including attorneys’ fees and other costs and expenses of litigation, defense and appeal), damage, injury, liability, claims, actions and causes of action whatsoever arising from or in any way related to the indemnifying Party’s: (i) negligent or willful acts or omissions; (ii) breach of this Agreement; or (iii) operation of its own business. Nothing herein shall be considered or construed

to be a waiver of the provisions and protections of Florida Statutes §768.28 by either party to this contract

11. **Intellectual Property Rights.**

11.1 **IDEA's Materials.** In connection with the Services, IPS may furnish IDEA FL with curriculum, testing, analysis, reports, programs, procedures or other information or materials (collectively, "**Materials**") that have been or will be authored, originated, discovered and invented by or for IDEA and of which IDEA is deemed to be the author and originator. The Parties agree that IDEA shall have and retain all right, title and interest in and to IDEA's Materials that (i) are created on or after _____ or (ii) were created prior to _____ if and to the extent such Materials were authored, originated, discovered or invented outside the scope of IDEA FL operations; and IDEA shall have all rights to sell, assign or otherwise transfer any right, title or interest in such IDEA's Materials and all rights to apply for, register, obtain and own any and all copyrights, trademarks, service marks, trade names, patents and/or other exclusive or proprietary registrations or forms of ownership. IDEA retains the right to sell any of IDEA's Materials, even if IDEA's Materials are derivatives, or incorporate any, of IDEA FL's Materials. In the event IDEA FL is held, for any reason, to have any right, title or interest in and to any of IDEA's Materials, regardless of the media and whether or not copyrighted or copyrightable, trademarked or registerable, patented or patentable, IDEA FL hereby unconditionally and irrevocably transfers and assigns such right, title and interest in and to IDEA as an essential part of the consideration for this Agreement. IDEA FL further agrees that it shall, within 5 days after receipt of a written request from IDEA, execute a written instrument for the purpose of waiving its rights, if any, to attribution for any of IDEA's Materials under Section 106A(a) of The Copyright Act of 1976 (17 U.S.C. Sec. 101, 1976) or any succeeding law.

12. **Trademarks.** The Parties' respective rights to use IDEA Public Schools marks are set forth in, and governed by, the attached Trademark Licensing Agreement.

13. **Termination.** This Agreement may be terminated as follows:

13.1 **Agreement.** Without further liability to either Party, either Party has the right to terminate the Agreement:

13.1.1 If, at any time, IDEA FL determines that this Agreement would serve as grounds for revocation of a Charter Contract, would jeopardize its tax-exempt status as a Section 501(c)(3) tax-exempt organization, would jeopardize the tax exempt status of any debt issued for the benefit of IDEA FL, would create adverse tax consequences for IDEA FL, or would cause IDEA FL to be in violation of applicable law, IDEA FL may terminate this Agreement in accordance with this Section 13. IDEA FL shall give IPS at least ninety (90) days notice of its intent to terminate the Agreement pursuant to this Section 13. In addition, IDEA FL shall provide IPS with an analysis as to why such action is necessary. If requested by IPS, IDEA FL shall meet and confer with IPS to determine whether some other course of action could be taken which might satisfy IDEA FL's concerns and the parties shall work together in good faith to resolve or satisfy any such concerns before a termination is pursued; or

13.1.2 If a Party is in breach of a material provision of this Agreement and has failed (a) to cure the breach within sixty (60) days of notice (“**Cure Period**”) from the non-breaching Party specifying the breach or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure Period. Every effort shall be made not to terminate during a school year.

13.2 Non-Appropriation Clause. Without further notice and without further liability to either Party, this Agreement, with respect to any individual and specific charter contract, shall terminate if:

13.2.1 The legislature of the applicable jurisdiction fails to appropriate funds for the operation of that charter school. In such an event, the obligations of the Parties with respect to the effected School(s) by the non-appropriation shall terminate on the last date that such government funds are appropriated for the operation of Schools covered by that charter contract; or

13.2.2 IDEA FL’s Charter Contract is revoked or not renewed, or is surrendered after receiving a Notice of Intent to Revoke Charter or Notice of Intent to Non-Renew, by or from the charter authorizing jurisdiction. In such an event, the obligations of the Parties with respect to the effected School(s) shall terminate on the date the Charter Contract expires or on the date of revocation, non-renewal, or surrender, as applicable; or

13.2.3 The other Party is in breach of a material provision of the Agreement, or a provision of the Agreement that affects only that particular School, and has failed (a) to cure the breach within the Cure Period from the non-breaching Party specifying the breach, or (b) to take substantial steps toward a cure within the Cure Period if the breach is incapable of cure within the Cure period.

13.4.3 Automatic Revocation Upon Loss of 501(c)(3) Status of IPS. This Agreement shall automatically terminate thirty (30) days after the revocation of the 501(c)(3) status of IPS by the IRS.

13.4 Breach or termination of this Agreement and services to any particular School shall have no effect on any other Schools serviced hereunder, all of which shall remain in force in accordance with their respective terms.

13.5 If, at any time, IDEA FL breaches the Trademark License Agreement and/or the Copyright License Agreement between IDEA and IDEA FL, and fails to remedy such breach(es) in accordance with the terms of the Trademark License Agreement and/or the Copyright License Agreement, IPS may immediately terminate this Management Services Agreement.

13.6 It is understood by the parties that, because of the unique legal status of the Florida Schools of Hope, compared with regular charter school schools, and the statutory requirement that a School of Hope Charter must be operated by an approved School of Hope Operator, any termination of this management agreement for any school, would likely result in the closure of that school since, it would no longer be operated by an approved School of Hope Operator.

14. **Dispute Resolution.** In the event of any disagreement, claim, dispute, controversy or other matter (collectively “**Dispute**”) in question between the Parties (including the question of what issues can be mediated and the validity of this Section 14) arising out of, or relating to this Agreement, or any breach of this Agreement, the Parties agree to submit the Dispute first to non-binding mediation and then to arbitration pursuant to Section 14.2.

14.1 **Mediation.** Any Dispute may be submitted to mediation upon mutual agreement of the Parties prior to arbitration or litigation. If the Parties agree to submit the Dispute to mediation, the Parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in Bexar County, Texas, unless the Parties mutually agree to another location. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

14.2 **Arbitration.** In the event the Parties do not agree to engage in mediation or if the Dispute is not resolved through mediation, the Parties agree to submit the Dispute to binding arbitration. The arbitration shall be held in Bexar County, Texas, unless the Parties mutually agree to another location.

14.2.1 The Dispute shall be arbitrated in accordance with the Commercial Arbitration Rules of the AAA as then existing, to the extent such rules are not inconsistent with the provisions of this Section 14, but shall not be arbitrated by an AAA tribunal, or administered by the AAA, unless specifically agreed to, in writing, by the Parties. Each of the Parties shall keep all Disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

14.2.2 Notice of the demand for arbitration shall be given in writing to the other Party in the manner provided for notice by Section 16.8. The demand for arbitration shall be made within a reasonable time after the Dispute has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Dispute would be barred by the applicable statute of limitations. Unless otherwise agreed in writing by the Parties, either the Parties or their legal counsel shall, within thirty (30) days following notification of the arbitration, mutually agree upon, qualify and select an arbitrator. In the event the Parties cannot mutually agree on one arbitrator, an arbitration panel, composed of three (3) arbitrators, shall be selected in the following manner: each of the Parties, or their respective legal counsel, as the case may be, shall, within forty (40) days after one Party notifies the other of his, her or its intent to arbitrate a Dispute, each select an arbitrator and the two (2) arbitrators shall, within fifteen (15) days following notification of their selection, select a third arbitrator. In the event either Party fails to timely select an arbitrator, the arbitrator selected by the other Party shall be the sole arbitrator and shall hear the Dispute. In the event each Party selects an arbitrator, and the selected arbitrators cannot decide upon a third arbitrator for the panel, the Parties shall each select a new arbitrator and the two (2) new arbitrators shall, within fifteen (15) days following notification of their selection select a third arbitrator. This process shall be repeated until a panel of three (3) arbitrators is constituted. To qualify to arbitrate any Dispute under this Section 14, the arbitrator must be a licensed attorney in the jurisdiction wherein the proceedings occur, must have practiced law in such jurisdiction for a minimum of ten (10) years and must have a minimum

of five (5) years' experience in the area of the law primarily implicated by the Dispute. If the Parties cannot agree on the "primary" area of law implicated, they shall select arbitrators with a minimum of five (5) years' experience in business and contract law. Once qualified and notified of his or her selection, the arbitrator (or arbitration panel, as applicable) shall hear the Dispute within sixty (60) days and render a written legal opinion and decision, specifying the factual and legal basis for the decision, within twenty (20) days thereafter (or as soon thereafter as is practicable and justified under the circumstances). In the case of an arbitration panel, the opinion of the majority of the arbitrators shall be adopted as the panel's opinion.

14.2.3 Discovery may be conducted either upon mutual consent of the Parties, or by order of the arbitrator upon good cause being shown. In ruling on motions pertaining to discovery, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of Disputes, and the arbitrator shall limit, expedite or order discovery whenever appropriate to ensure that this purpose is preserved. For the purposes of this section, the term "**Discovery**" shall not limit the absolute right of IDEA FL to obtain all documents and records held by or in the possession of IPS that are rightfully and properly the property and records of IDEA FL. The arbitrator shall not have the authority to limit IDEA FL's access to or use of any property and records of IDEA FL that may be held by or in the possession of IPS, but the arbitrator does have the authority to order IPS to produce to IDEA FL all of IDEA FL's original property and records.

14.2.4 The decision and award rendered by the arbitrator shall be based upon applicable law and judicial precedent and shall be final, conclusive and binding upon each of the Parties. Judgment may be entered upon the arbitrator's decision in accordance with applicable law in a court having jurisdiction thereof. Any such award by the arbitrator shall include recovery by the prevailing Party of the costs and expenses of the proceeding, including reasonable attorneys' fees; provided that, if neither Party prevails, the expenses of arbitration (other than attorneys' fees) shall be borne equally between the Parties. Any such award by the arbitrator shall not include the award of punitive damages in excess of an amount equal to the compensatory damages awarded in the proceeding.

14.3 Litigation. If the parties do not mutually agree, in writing, to submit the Dispute to binding arbitration, either party may bring suit following the arbitration process described above as allowed and contemplated under Section 16.11.

15. **Default: Remedies**

15.1 Default. A "**Default**" is defined as the failure by a Party to observe, comply with or perform any of the terms, covenants or conditions applicable to such Party under this Agreement, where such Party fails to cure such Default within the applicable grace period specified herein, and shall entitle the non-defaulting Party to pursue the remedies set forth in Section 14.2. Specific Defaults and cure periods are set forth below:

15.1.1 The failure by IDEA FL to make any payment of the Fee or to reimburse any cost or expenses as and when due, where such failure continues for a period of 5 calendar days following notice thereof to IDEA FL by or on behalf of IPS;

15.1.2 Failure of IPS to perform any of its obligations under Section 4.9 of this Agreement;

15.1.3 The failure by either Party to observe, comply with or perform any obligation under this Agreement, other than those described in Section 15.1.1, where such Default continues for a period of 60 days after written notice thereof by or on behalf of the non-defaulting Party to the defaulting Party; provided, however, that if the nature of the Default is such that more than sixty (60) days are reasonably required for its cure, then it shall not be deemed to be a Default of this Agreement if the defaulting Party commences such cure within said sixty (60)-day period and thereafter diligently prosecutes such cure to completion;

15.1.4 The occurrence of any of the following events: (i) the making by a Party of any general arrangement or assignment for the benefit of creditors; (ii) a Party becomes a “debtor” as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against such Party, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or the judicial appointment of a receiver to take possession of substantially all of a Party’s assets, where possession is not restored to such Party within ninety (90) days; or (iv) the attachment, execution or other judicial seizure of substantially all of a Party’s assets, where such seizure is not discharged within ninety (90) days; or

15.1.5 Any action by IDEA FL to remove or otherwise limit the authority or role of IDEA or IPS under IDEA FL’s articles of incorporation or bylaws; or

15.1.6 The failure of IDEA FL to timely pay any of its obligations associated with the construction, acquisition, equipment or renovation of any facilities whether directly financed or leased,

15.2 Remedies. If either Party defaults hereunder, the non-defaulting Party may, at its option (but without obligation to do so), perform such duty or obligation on the defaulting Party’s behalf. The costs and expenses of any such performance shall be due and payable by the defaulting Party to the other Party immediately upon invoice therefor. In the event of a Default of this Agreement by either Party (which is not timely cured), with or without further notice or demand, the non-defaulting Party may pursue any remedy now or hereafter available to such Party under the laws or judicial decisions of the State of Texas.

16. General Provisions.

16.1 Incorporation of Recitals. Recitals “A” through “D” above are acknowledged by the Parties to be true and correct and are incorporated herein as a material part of this Agreement.

16.2 IDEA FL Records. Financial, educational and other records pertaining to the Charter Schools, whether or not generated or maintained by IPS, are IDEA FL property, and such records may be subject to inspection and copying under applicable law, including, without

limitation Florida Public Records Law as set out in Florida Statutes Chapter 119. IDEA FL records will be kept and maintained at each Charter School and/or on IDEA FL property. The physical location and access to all records of the Charter Schools shall fully comply with applicable laws. Upon expiration or earlier termination of this Agreement, IPS shall, within 30 days, turn over to IDEA FL all IDEA FL's records in whatever form (on paper, electronic or otherwise), which shall be retained by IDEA FL and thereafter maintained by the Board. IPS may make and keep one copy of all books and records that IPS is permitted to retain under applicable law.

16.2.1 Student Data Privacy: Personally Identifiable Information

- a. IPS shall not allow access to, release, or allow the release of student information to any person or entity except as specified in this agreement, or as required by law.
- b. IPS agrees not to sell, transfer, or process any student information for use in commercial advertising, marketing, or any other commercial purpose, unless otherwise permitted by this agreement, or by federal, state, or local law.
- c. IPS agrees to create and maintain access and access authentication policies for its computer system(s) that ensure only authorized individuals have access to student information. Authorized individuals include those authorized by IDEA FL and employees or agents of IPS who require access to fulfill the intent of this agreement.
- d. IPS agrees to comply with all federal, state, and local laws and regulations related to privacy compliance standards.
- e. IPS agrees to provide the results of privacy and security audits on its computer systems that may be required by IDEA FL.
- f. IPS agrees to put in place safeguards on its computer systems against the breach of student information privacy. In the event of a breach of the privacy of student information, IPS agrees to immediately alert IDEA FL and to work with IPS to remediate said breach.
- g. IPS agrees to retain and store student information as required by this agreement with IDEA FL and to delete all student information from its computer systems upon termination of this agreement. All information removed from Provider's servers upon termination of this agreement will be returned to School.

16.3 Personally Identifiable Information. Under the terms of this Agreement, IPS may be provided with students' "personally identifiable information" as defined in Florida Statutes

§501.17. Accordingly, IPS shall not allow access to, release, or allow the release of student information to any person or entity except as specified below and must take all steps required by applicable law, including the following:

- (i) IPS agrees to protect and maintain the security of data with protecting security measures that include maintain secure environments that are pathed and up to date with all appropriate security updates as designated by a relevant authority.
- (ii) This section intentionally left blank.
- (iii) IPS agrees to implement various forms of authentication to establish the identity of the requester of the information with a level of certainty that is commensurate with the sensitivity of the data.
- (iv) IPS agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in this Agreement.
- (v) IPS agrees that, as required by applicable state and federal law, auditors from state, federal or other agencies so designated by IDEA FL, shall have the option to audit the outsourced service. Records pertaining to the service shall be made available to auditors and IDEA FL during normal working hours for this purpose.
- (vi) IDEA agrees to comply with the Florida Security Of Confidential Personal Information Law (Florida Statutes §501.171) and all applicable laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. Further, IPS agrees to notify IDEA FL immediately and assume responsibility for informing all such individuals in accordance with applicable law and to indemnify, hold harmless and defend IDEA FL from and against any claims or damages related to a Notification Event.
- (vii) IPS agrees that upon termination of this Agreement, it shall return all data to IDEA FL in a useable electronic form, and erase, destroy, and render unreadable all data IPS may have, and certify in writing that these actions have been completed within thirty (30) days of the termination of this Agreement or within seven (7) days of the request of IDEA FL, whichever shall come first.
- (viii) IPS agrees that unauthorized disclosure of such information may irreparably damage IDEA FL, such that adequate compensation could not be obtained from damages in an action at law. Accordingly, the actual or threatened unauthorized disclosure of use of any protected information shall give IDEA FL the right to seek injunctive relief to restrain the disclosure, in addition to any other remedy. IPS hereby waives the posting of a bond with respect to any action for injunctive relief. IPS also grants IDEA FL the right, but not the obligation, to enforce these provisions in IPS's name.
- (ix) IPS must establish and implement a clear data breach response plan outlining organizational policies and procedures for addressing a potential breach.

(x) IPS agrees that the confidentiality obligations contained herein shall survive termination of this Agreement for a period of fifteen (15) years or for so long as the information remains confidential, whichever is longer.

16.4 No Delegation of Authority. Nothing in this Agreement shall be construed as: (i) delegating to IPS any of the powers or authority of IDEA FL which are not subject to delegation under the Act or other applicable law; or (ii) interfering with IDEA FL's duty to exercise its statutory, contractual and fiduciary responsibilities governing the operation of IDEA FL's charter schools. Furthermore, notwithstanding any contrary provision contained herein, no provision of this Agreement shall be construed to prohibit IDEA FL from acting as an independent, corporate governing body.

16.5 Statutory Requirements. IPS acknowledges that IDEA FL must comply with all the financial requirements for its charter schools under applicable State law. In addition to the obligations set forth in Section 7, IPS agrees to provide such details and documentation related to IPS's Initial-Year Fee, IPS's Annual Fee and the Services as are reasonably necessary for IDEA FL to meet its accounting and reporting obligations. In addition to the rights set forth in Section 7, upon reasonable, written notice, IDEA FL and its designees shall have the right to review and audit IPS's books and records as they relate to this Agreement, including the right to make copies.

16.6 Force Majeure. If performance by IPS or IDEA FL of any of their respective obligations other than the payment of money, under the terms of this Agreement is interrupted or delayed by an act of God, by acts of war, riot, terrorism or civil commotion, by an act of the State, by fire or flood, or by the occurrence of any other event beyond the control of the Parties, the Parties shall be excused from such performance for the same amount of time as such occurrence lasts or such period of time as is reasonably necessary after such occurrence abates for the effect of the occurrence to have dissipated. The Parties agree to act diligently to remedy the cause of any delay subject to this Section 16.6. Each Party shall notify the other Party promptly after any occurrence subject to this Section 16.6 that may affect the Party's performance of its obligations under this Agreement.

16.7 Assignment. Neither Party may assign any of its rights, duties or obligations under this Agreement without the other Party's prior written consent, provided that, IPS may assign all of its rights, duties and obligations to a subsidiary organization after providing written notice to IDEA-FL as provided herein.

16.8 IPS's Business Costs. All expenses or obligations incurred by IPS in the operation of its business and its performance of duties hereunder including, without limitation, IPS's business overhead expenses, shall be borne by IPS and IDEA FL shall have no obligation or liability for any fees, expenses or losses incurred by IPS except as expressly provided herein.

16.9 Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed received upon personal delivery (by hand delivery or courier), 5 days after being sent by registered or certified United States mail, return receipt requested, postage fully prepaid, or one day after being sent by a reputable, overnight express-mail service, addressed to

the respective Party at its address as set forth above, or to such other address as each Party shall, from time to time, specify in the manner provided herein.

16.10 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Agreement is declared void or unenforceable with respect to particular circumstances, such provision shall remain in full force and effect in all other circumstances. If any provision of this Agreement is declared entirely void or unenforceable, such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect.

16.11 Governing Law. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by, the internal, substantive laws of Texas, without reference to any choice-of-law principles or provisions. Subject to the requirement of binding arbitration, suit to enforce any provision of this Agreement or to obtain any remedy with respect hereto shall be brought in a federal or state court of competent jurisdiction in the State of Texas; and each Party hereto expressly and irrevocably consents to the jurisdiction of said court.

16.12 Successors In Interest. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the respective successors and assigns of the Parties.

16.13 Time of Essence; Time Periods. Time is of the essence of this Agreement and each and every provision of this Agreement. Any extension of time granted for the performance of any duty under this Agreement shall not be considered an extension of time for the performance of any other duty under this Agreement. Unless expressly stated otherwise, any computation of time periods permitted or required herein stated in “**days**” shall mean calendar days. “**Business day**,” when so identified, shall mean normal working days, excluding Saturdays, Sundays and federal or State legal holidays. If the time for performance of any obligation due hereunder or the making of any election permitted hereunder is stated in “days” and expires on a Saturday, Sunday or federal or State legal holiday, then the time for performance of such obligation or for the making of any such election shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

16.14 Survival. The provisions of Sections 1.3.4, 4.4, 5, 8.7.3, 8.7.4, 10, 11, 12, 14, 16.2, 16.17, 16.18, 16.22 and 16.24 shall survive the expiration or termination of this Agreement.

16.15 Waivers. No waiver of any term covenant or condition hereof shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent violation of the same or any other term, covenant or condition hereof. A Party’s consent to or approval of, any act of the other Party shall not be deemed to render unnecessary the obtaining of the applicable Party’s consent to, or approval of, any subsequent or similar act by the other Party, or be construed as the basis of an estoppel to enforce the provision or provisions of this Agreement requiring such consent.

16.16 Consents and Approvals. Except as otherwise expressly provided herein, wherever in this Agreement the consent or approval of a Party is required to an act by or for the other Party, such consent or approval shall not be unreasonably withheld or delayed.

16.17 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

16.18 Attorney's Fees. If attorneys are engaged, or any action is brought, by either Party in respect of its rights under this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, court costs and costs of appeal as determined by the court.

16.19 Counterparts. This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of the executed counterparts shall be deemed an original of this Agreement; provided, however, that this Agreement shall not be effective or enforceable unless and until it is executed by each Party.

16.20 Amendments. This Agreement may be amended or modified only in writing, signed by the Parties in interest at the time of the modification.

16.21 No Third Party Rights. No person or entity who is not a Party to this Agreement shall have any right to performance under this Agreement nor shall any person or entity who is not a Party to this Agreement have any right to enforce this Agreement.

16.22 Captions; Interpretation. Captions and headings are for convenience only and shall not alter the interpretation of any provision or be used in construing this Agreement. If the context requires, the use of the singular or plural (including the use of defined terms) shall also refer to the other. The word "including" is not exclusive; if exclusion is intended, the word "comprising" is used instead. The word "or" shall be construed to mean "and/or" unless the context clearly prohibits that construction. The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly for or against any Party. **Each Party warrants and represents that it has read this Agreement in its entirety, that it understands each and every term and condition hereof, and that it has had ample time to seek the advice of its own legal counsel and other professional advisors before signing this Agreement.** Accordingly, any rule of construction to the effect that ambiguities are to be construed against the drafting Party shall not apply to the interpretation of this Agreement or any amendment or exhibit hereof.

16.23 Representative Signatures. Any individual signing in a representative capacity hereby represents and warrants that he or she is duly authorized to execute and deliver this Agreement and has full authority and power to bind his principal to this Agreement. Each Party shall, upon the execution of this Agreement, deliver to the other Party documents evidencing such authority.

16.24 No Disparagement. During the term of this Agreement and for a period of 2 years thereafter, each Party agrees that neither it, nor its directors, officers, employees or agents,

shall defame or disparage the other Party, nor any of the other Party's directors, officers, employees or agents, to any third Party.

16.25 Entire Agreement. This Agreement, including any exhibits or schedules referenced herein, contains the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement and, except for the TM Agreement and the Co-Existence Agreement, all agreements and understandings entered into prior to this Agreement, including those included in any prior agreement between the parties regarding the subject matter of this Agreement, are superseded by this Agreement to the extent they relate to the subject matter of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates shown below.

IPS Enterprises, INC., a Texas non-profit corporation

By: _____
_____, its President
Date _____

IDEA FL, INC., a Florida non-profit corporation

By: _____
_____, its President
Date _____

EXHIBIT A
AUTOMATIC RENEWAL PROVISION

Unless the Management Services Contract is terminated by either party pursuant to any of the clauses contained therein, it shall automatically renew in the event that any Florida charter school authorizer, renews any charter school contract with IDEA FL. The renewal term of the Management Services Contract shall run concurrently with the term of each respective renewed charter school contract.

Exhibit A to
Management Services Agreement (IPS/IDEA FL)

EXHIBIT B

SCHOOL MANAGEMENT SERVICES

IPS shall provide the following 3 categories of services for each School. Except as expressly noted in the list of representative services below, expenses related to these Services (including payroll expenses of site management employed by IPS) shall be paid by IPS from IPS's Fee. This Exhibit B may be amended unilaterally by IPS in writing from time to time as reasonably determined necessary in order to facilitate or more accurately describe its services under the Agreement.

"Management Services" means and comprises general management services, site management services and supervision of operations.

"Operational Services" means and comprises all teaching and academic services and site administrative services (including enrollment, attendance, etc.).

"Accounts Payable Services" means IPS's management and supervision of all accounts payable and the New School's bank accounts, including the direct payment of the School's bills and expenses by IPS on behalf of the School from the School's bank accounts, and management and supervision of the School's bond reserve accounts, if any.

Types of Payment. Reasonable costs and expenses associated with goods and services not covered by IPS's Fee may be paid by the School by either of two methods, as determined by IPS: (1) Such expenses may initially be paid by IPS then passed through IPS's accounting services and invoiced by IPS to the School for reimbursement to IPS ("**Pass-Through Expense**"). All Pass-Through Expenses are in addition to IPS's Fee; or (2) IPS may pay such expenses from the School's bank accounts ("**Direct Payment**"). Direct Payments shall be authorized and permitted for any of the School's legitimate and ordinary expenses, including, without limitation, utility bills, supplies, building maintenance and repair, equipment maintenance and repair and all other ordinary or recurring business expenses. All Direct Payments are in addition to and not included in the Services fees and Pass-Through Expenses established in this Agreement.

Management Services

Site Management. Subject to IPS's right to restructure its management and staff, in its sole and absolute discretion, the typical site management at a school will be comprised of:

1. a Head of School;
2. an Upper-School Director for each upper school; and
3. a Middle-School Director for each middle school and a Head of Operations.
- 4.

Site Management also includes:

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Exhibit B to
Management Services Agreement (IPS/IDEA FL)

1. Overall Management of the New School's academic program by the Head of School;
2. Overall Management of the Upper School by the Upper School Director;
3. Overall Management of the Middle School by the Middle School Director; and
4. Overall Management of the New School's physical plant and day-to-day operations by the Head of Operations.

Technology and IT Services:

1. Designing overall technology and IT system and strategy;
2. Assuring alignment of technology purchases with technology strategy;
3. Providing staff training on the technology and IT systems;
4. Designing overall data collection system; selecting and/or creating database systems; assuring compatibility and security of systems;
5. Managing IT staff at all school sites; and
6. Conducting research on future growth of technology and IT services and equipment and implementing changes and improvements.

Costs and expenses of the IT services provided at each School site either by contract or by IPS employees and other direct costs related to technology and IT systems (e.g., computer and other technology repairs, software installation, internet connection maintenance, etc.) are not included in IPS's Fee.

Public Relations:

1. Developing the public-relations strategy for the School;
2. Preparing and distributing press releases for the School;
3. Conducting regular outreach efforts for the School; and
4. Engaging firms for PR services as required.

Costs and expenses for services provided by PR firms are not included in IPS's Fee.

Development:

1. Identifying relevant grant opportunities;
2. Writing and administering of all grants for the School;
3. Managing fundraising for the Master Teacher Programs;
4. Managing fundraising for special projects and needs; and
5. Contracting with outside fundraisers and/or providing fundraising staff at each school as required.

Costs and expenses for (i) services provided by outside fundraisers; (ii) expenses for fundraising staff at the New Schools; and (iii) fundraising costs including, but not limited to the costs of printing brochures, hosting events and travel, are not included in IPS's Fee.

Other:

1. Negotiating capital equipment purchases and leases for existing sites;
2. Maintaining the School's corporate files and providing support for Board meetings;
3. Preparing State and Charter-Authorizer required annual reports for the School;
4. Providing school calendars that meets State requirements;
5. Providing time schedules for all Charter Schools;
6. Coordinating and supervising building and asset maintenance and repair;
7. Planning staffing levels at each School; and
8. Providing administrative support for the Board under the direction of the Chairman.

Costs and expenses related to building and asset maintenance and repair are not included in IPS's Fee.

Operational Services

Enrollment and Enrollment Maintenance:

1. Supervising operations related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
2. Creating manuals and time lines for policies and procedures and staff training related to:
 - Enrollment - registration, waiting-list management and withdrawals
 - Attendance
 - Student Records
3. Conducting market analysis (demand for the School's services)
4. Conducting student-retention analysis
5. Preparing periodic enrollment reports for the Board

SAIS – Student Automatic Information System

1. Contracting with database-system providers, updating and solving database problems.

Costs and expenses relating to contracting for database systems are not included in IPS's Fee.

2. Conducting data-entry training for site staff.
3. Supervising data entry.
4. Supervising data uploads.
5. Reconciling SAIS and School database data.
6. Supervising SAIS legal compliance. Curriculum:

7. Designing and publishing policies and procedures related to Board-approved Middle School grade promotion and High School graduation requirements.
8. Designing and administering the New School's internal syllabi audit system (the audit system includes the curriculum alignment with state standards), managing the system and supervising the process of AP course audits.
9. Designing the School's students' and schools' progress assessment system, managing the system and training the teachers and administrators to use the system.
10. Supervising the administration of required State assessments.

Costs and expenses related to external tests for students including, but not limited to, PSAT, SAT, AP Exams, Cambridge Exams, Latin National Exam, and the costs of external training related to these exams, are not included in IPS's Fee.

Teachers:

1. Conducting teacher recruiting.
2. Conducting in-house, teacher-training programs in subject content, classroom management, assessment design, developmental psychology and federal and State compliance, including special-education compliance.
3. Arranging training by outside experts and coordinating off-site individual teacher training and professional development activities.
4. Planning instructional staffing levels.

Costs and expenses related to teacher recruitment paid to third parties and the costs of food, lodging and space rental for teacher training as well as the costs and expenses of training or professional development courses for teachers provided and/or organized by other organizations including, but not limited to, AP course training, AIMS training and Cambridge Exams, are not included in IPS's Fee.

Students:

1. Creating policies and procedures and supervising operations related to:

Identifying and providing services to "**Atypical Learners**" (i.e., students that demonstrate atypical learning behavior: a faster or slower pace of learning than the average student);

Identifying and providing educational services to students with special needs, in compliance with federal and State laws and regulations, including State-required reporting.

2. Finding, contracting and supervising licensed SPED staff at all school sites.
3. Supervising data collection and providing relevant data for State monitoring and SPED audits.

Costs and expenses related to services provided to Atypical Learners and SPED services are not included in IPS's Fee.

Accounts Payable Services

Accounting

1. Preparing proposed, adopted and adjusted versions of school budgets.
2. Preparing AFRs for all charter schools operated by the New School.
3. Submitting budgets and AFRs to ADE as required by applicable law.
4. Coordinating, preparing and providing audit data for annual audits.
5. Recording the School's accounting data.
6. Preparing quarterly financial reports for the Board.
7. Preparing the School's tax returns.
8. Managing accounts payable and accounts receivable.
9. Maintaining all vendor files.
10. Assuring compliance with GAAP accounting standards.
11. Assuring compliance with existing Bondholder reporting requirements, if applicable.

Unenumerated Services:

IPS is authorized to provide reimbursable services and incur expenses not specifically enumerated above that IPS believes are required to execute IPS's responsibly to manage, oversee

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Exhibit B to
Management Services Agreement (IPS/IDEA FL)

and supervise all the operations and activities of the New Schools so long as the costs incurred for such services do not exceed two percent (2%) of the authorized budget level for the appropriate category of expense (“**Category Cap**”) or any higher cap set by the Parties. Within 30 days of incurring expenses under this provision in the aggregate amount of the Category Cap or any higher cap set by IDEA FL, IPS will notify the Chairman of IDEA FL concerning the details of such expenses.

Appendix C

TRADEMARK LICENSE AGREEMENT

This TRADEMARK LICENSE AGREEMENT (the "**Agreement**") is entered into as of this _____ day of _____, 2019 ("**Effective Date**"), by and between IDEA Public Schools, Inc., a Texas non-profit corporation ("**Licensor**"), and IDEA Florida, Inc., a Florida non-profit corporation ("**Licensee**"). Each of Licensor and Licensee are sometimes referred to hereinafter as a "Party" and collectively, as the "Parties."

RECITALS

Whereas Licensor owns the trade names and trademarks identified on Schedule A ("**Licensed Trademarks**");

Whereas Licensor (or its affiliate or subsidiary) and Licensee have entered into that certain Management Services Agreement ("**Service Agreement**") of even date; and

Whereas Licensee desires the right to use the Licensed Trademarks in connection with and for the benefit of certain educational activities performed by the Licensee's IDEA Schools (as defined below).

NOW, THEREFORE, in consideration of the above and the mutual promises herein made, and in consideration of the representations, warranties, covenants, conditions and agreements herein contained, the Parties herein agree as follows:

ARTICLE 1 DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the meanings set forth below:

- 1.1 "Licensed Trademarks" means the marks identified on Schedule A.
- 1.2 "IDEA Schools" means those schools identified in the Service Agreement.

ARTICLE 2 LICENSE GRANT AND RESTRICTIONS

2.1 Trademark License. As of the Effective Date, and subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a royalty-free, revocable, non-exclusive, non-transferable limited license (the "**License**") to use the Licensed Trademarks in and for the benefit of the IDEA Schools in connection with its educational activities. Licensee may use the Licensed Trademarks on manuals and documentation used in connection with its educational activities, and on promotional, advertising, marketing, multi-media and related materials associated with its educational activities, and such use shall include the distribution, duplication and display of the foregoing in or for the benefit of the IDEA Schools.

2.2 Licensor Ownership. Licensee acknowledges and agrees that:

- a. the Licensed Trademarks, including all right, title and interest thereto and all goodwill associated therewith, and all applications and registrations thereof, are owned

solely by Licensor, and Licensee shall never directly or indirectly contest such ownership or validity thereof;

b. all use of the Licensed Trademarks shall inure solely to the benefit of and be on behalf of Licensor;

c. the License granted herein is not intended to be and shall not be construed as an assignment; and, further, that nothing herein confers on Licensee any right, title or interest in the Licensed Trademarks other than the limited right to use same in accordance with this Agreement; and

d. Licensor retains the right to use or to license the use of the Licensed Trademarks for any reason or to any person.

2.3 License Restrictions. Licensor grants no rights other than those expressly granted herein. Without limitation of the foregoing, Licensee agrees that the License shall be subject to the following:

a. Licensee shall not use, apply to register, or own or use any trade name, trademark, domain names, or trade dress which incorporates, may be confused with, is similar to, or would dilute or tend to dilute, any of the Licensed Trademarks;

b. Licensee shall not assign, transfer, sublicense or permit any third party the right to use any of the Licensed Trademarks, in whole or in part, without Licensor's prior written consent;

c. Licensee shall not apply for registration in its own name for any of the Licensed Trademarks or any mark, name, logo, or other designation which is similar to or that would dilute or tend to dilute the distinctiveness of any of the Licensed Trademarks;

d. Licensee shall not use any of the Licensed Trademarks in any manner or commit any other act that would jeopardize or impair Licensor's rights in any of the Licensed Trademarks under common law, under Texas or Louisiana law, or under federal or state trademark law, including but not limited to using the Licensed Trademarks in a manner that may cause them to become generic or merely descriptive, or take any action that may have the effect of invalidating or compromising the validity of any of Licensor's state or federal registrations, or applications for such registration for, any of the Licensed Trademarks;

e. Licensee shall not use the Licensed Trademarks in a manner that may disparage, or harm the goodwill associated with the Licensed Trademarks or in any manner which implies or indicates a partnership or other relationship between the Parties other than the Parties' relationship as contemplated under this Agreement or any other written agreement between the Parties;

f. Licensee shall not combine the Licensed Trademarks with any other marks, names or symbols other than those of Licensee and the name(s) of the IDEA Schools, unless it obtains Licensor's prior written consent;

g. Licensee will use reasonable efforts to use the Licensed Trademarks in material compliance with Licensor's reasonable trademark guidelines that are made

applicable to all licensees, which may be developed by Licensor and furnished to Licensee from time to time;

h. The quality of any and all goods and services with which Licensee uses the Licensed Trademarks shall be in compliance with the Quality Control provisions of Article 3;

i. Licensee shall not contest the fact that its rights under this Agreement are solely those of a non-exclusive licensee; and

j. Licensee's foregoing acknowledgements, covenants and admissions shall survive the termination or expiration of this Agreement, including but not limited to termination of this Agreement for Licensee's material breach.

2.4 Future Claims.

a. In the event that (i) there is a claim or demand made against Licensor or Licensee with respect to any Licensed Trademark, or (ii) there is a determination by a court of competent jurisdiction or by another governing authority that the right to use one or more of the Licensed Trademarks is unenforceable, or (iii) Licensor reasonably believes that it may be unable to obtain or maintain right to one or more of the Licensed Trademarks, or (iv) Licensor reasonably believes that the use of one or more of the Licensed Trademarks could subject Licensor or Licensee to a claim for infringement or any other liability, Licensor must notify Licensee in writing that it is terminating or modifying the right to use the relevant Licensed Trademark. In the event of such notice of termination or modification, Licensee shall be permitted a reasonable period of time from the notice to stop or modify the use of the Licensed Trademarks in accordance with the notice, but in no event shall such reasonable time be deemed to exceed one hundred twenty (120) days from the date of the notice. Licensee shall be solely responsible and liable for any claim, demand, penalty or damages arising from its continued use of the Licensed Trademarks after this period of time, and indemnify Licensor, to the extent permitted by or as otherwise limited by applicable law, for any claim, demand, penalty or damages arising from its continued use of the Licensed Trademarks, as stated in Article 5.

b. Notwithstanding subsection (a) above, if a court or another governing authority enjoins Licensor from using or licensing the Licensed Trademarks, then upon notice from Licensor, Licensee shall immediately cease (no later than thirty [30] days after receiving written notice of such action) using the Licensed Trademarks. Licensee shall be solely responsible and liable for any claim, demand, penalty or damages arising from its continued use of the Licensed Trademarks after such notice, and indemnify Licensor for any claim, demand, penalty or damages arising from its continued use of the Licensed Trademarks, as stated in Article 5.

ARTICLE 3 QUALITY CONTROL

3.1 Quality Control. In addition to any and all provisions of Article 2, and in order to maintain the quality of the educational activities and goodwill associated with the Licensed Trademarks, Licensee agrees to the following provisions.

a. Licensee shall use the name and logo in accordance with and in compliance with Addendum No. 1 attached hereto and incorporated herein by this reference or as may otherwise be agreed upon in writing by Licensor and Licensee.

b. Licensee shall comply in all material respects with all applicable laws relating to the implementation, performance, production, promotion, or distribution of any products or services related to its educational activities;

c. If Licensor determines that Licensee has failed to comply with any of the above provisions, Licensor may notify and require Licensee to undertake the appropriate corrective action that is reasonably necessary to comply with the above provisions. Should Licensee fail or be unable to take such corrective action with respect to a failure to comply with Sections 3.1(a) or 3.1(b) within the one hundred twenty (120) day period specified in Article 6, subject to the other provisions thereof, then Licensor may terminate this Agreement as stated in Article 6. Licensee shall use reasonable efforts to take corrective action in a prompt matter.

3.2 Trademark Enforcement and Prosecution.

a. If Licensee learns of any third party trade name, trademark, domain name, or trade dress which is likely to cause confusion with or to dilute any of the Licensed Trademarks, Licensee shall immediately notify Licensor in writing with all relevant information and details. Licensee's failure to comply with this section, provided the failure is not intentional, shall not constitute grounds for termination of this Agreement.

b. Licensor shall have the right in its sole discretion to decide what, if any, action to take and whether to institute and prosecute any actions or proceedings with respect to the Licensed Trademarks or any third party usage of the marks described in this Section 3.2(a) above.

c. If Licensor elects to institute an action or proceeding described above, it may do so in its own name alone or may elect to join Licensee as a party of interest. In the event that Licensor elects to join Licensee as a party, Licensee shall not object to such joinder and shall cooperate with Licensor's reasonable demands necessary to protect Licensor's intellectual property. Furthermore, Licensor shall pay any and all costs incurred by Licensee (including, without limitation, Licensee's attorney's fees and court costs) in connection with such action or proceeding.

d. Any litigation shall be prosecuted solely at the cost and expense of the party initiating same, and all sums recovered, whether by settlement, judgment or otherwise in excess of the amount of reasonable attorney fees and other out-of-pocket expenses, shall be awarded to the party initiating the action in accordance with the above, unless a joint action is pursued in which case the parties shall divide any award based upon the respective costs incurred by the parties.

e. Upon request of the party initiating the litigation, and at its expense, the other party shall furnish all documents and information, execute all papers, testify on all matters and otherwise cooperate in prosecuting the litigation.

ARTICLE 4
DISCLAIMER; LIMITATION ON LIABILITY

4.1 Disclaimer. THE LICENSED TRADEMARKS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND AND LICENSOR EXPRESSLY DISCLAIMS ANY WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE LICENSED TRADEMARKS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, NONINFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.

4.2 Limitations On Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY DIRECT OR INDIRECT LOST PROFITS OR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (HOWEVER ARISING, INCLUDING NEGLIGENCE) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 5
INDEMNIFICATION

5.1 Indemnification by Licensor. Licensor shall, to the extent permitted by law, indemnify, defend, and hold Licensee harmless from any losses, damages, liabilities, settlements, attorney's fees, or costs that may or does arise as a result of any actions, causes of action, demands, claims or proceedings arising from a breach of Licensor's representations in this Agreement, including without limitation its representation that it is the sole owner of Licensed Trademarks, all goodwill associated therewith, and all applications and registrations thereof.

5.2 Indemnification by Licensee. Licensee shall, to the extent permitted by law, indemnify (to the extent permitted by or as otherwise limited by applicable law), defend, and hold Licensor harmless from any losses, damages, liabilities, settlements, attorney's fees, or costs that may or does arise as a result of any actions, causes of action, demands, claims or proceedings arising from or related to its continued use of the Licensed Trademarks, provided that Licensor gives Licensee: (a) prompt written notice of any such actions, claims or proceedings; (b) sole control, subject to Section 5.3 below, of any such actions, claims or proceedings, provided that Licensee agrees and acknowledges that the action, claim or proceeding is fully covered by Licensee's indemnification obligations herein; and (c) information in the possession of Licensor that is reasonably required for the defense of such actions, claims or proceedings.

5.3 Other Licensee Obligations. Licensee shall promptly (within 48 hours) notify Licensor of any actions, claims, or proceedings of which it becomes aware that relate to the Licensed Trademarks. Licensee shall not propose an offer of settlement, propose any settlement terms, settle any action, claim or proceeding relating to the Licensed Trademarks, including those for which Licensee must indemnify Licensor pursuant to Section 5.1, without obtaining Licensor's prior written consent.

5.4 Licensor Participation. Licensor shall have the right to directly participate in any actions, claims or proceedings arising under this Article 5. If Licensor directly participates in an action, claim or proceeding it shall bear its own attorney's fees and costs.

**ARTICLE 6
TERM**

6.1 Term. This Agreement shall become effective upon the Effective Date and shall be in effect as long as the Service Agreement is in effect, as may be extended (as provided therein), and, subject to the termination provisions set forth in this Agreement.

6.2 Termination for Breach. Licensor may terminate this Agreement, including any license granted by Licensor herein, or any rights granted by Licensor herein with respect to any Licensed Trademark, (i) at any time in the event of a material breach by Licensee of such license or (ii) upon a violation of a term or restriction applicable to such license or the Licensed Trademark, which remains uncured after one hundred twenty (120) calendar days written notice from Licensor or such longer period as is provided in Section 3.1(c).

**ARTICLE 7
GENERAL PROVISIONS**

7.1 Governing Law. This Agreement and any dispute arising from the performance or breach hereof or thereof shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas, without reference to conflicts of laws.

7.2 Notices. All notices, requests and other communications under this Agreement shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, by facsimile, by email communication (provided that such email communication is followed up by notice given by United States Mail sent within one (1) business day thereafter) or by commercial overnight courier service with tracking capabilities, costs prepaid, in each case to the address specified in the spaces below the Parties' respective signatures on this Agreement or such other address as the receiving Party may request. Any notice required or permitted hereunder will be deemed to have been effectively given: (i) immediately upon personal delivery to the Parties to be notified as shown on the return receipt and/or facsimile or email confirmation (subject to the stipulation discussed in this Section 7.2), (ii) one (1) day after deposit with a commercial overnight courier service with tracking capabilities, or (iii) three (3) days after deposit with the United States Postal Service, by registered or certified mail, postage prepaid.

Licensor:

IDEA Public Schools, Inc.

Ph:
Fax:

Licensee:

IDEA Florida, Inc.

\ Attn: _____ Attn:
Ph: _____
Fax: _____

The person and address to which notices are to be given may be changed at any time by any Party upon written notice to the other Party. All notices given shall be deemed given upon receipt.

7.3 Dispute Resolution and Jurisdiction. In the event of a controversy or claim arising out of or relating to this Agreement, or the breach, validity, or termination of this Agreement, the parties shall first negotiate in good faith for a period of thirty days to try to resolve the controversy or claim. If the controversy or claim is unresolved after these negotiations, the parties shall then make good-faith efforts for thirty days to mediate the controversy or claim in mutually agreed-

upon location, before a neutral licensed attorney/mediator selected by Licensor. If the controversy or claim is unresolved after mediation, any controversy arising out of or relating to this Agreement or to breach, termination, or validity of this Agreement, may be adjudicated only in a Texas court, state or federal, having jurisdiction over the subject matter. Both parties consent to the jurisdiction and venue of such a court.

7.4 Severability. In the event any provision of this Agreement is found to be invalid, illegal or unenforceable in any jurisdiction, then in lieu of each such invalid, illegal or enforceable provision there shall be added automatically as a part of this Agreement a valid, legal and enforceable substitute provision that most nearly reflects the original intent of the parties and all other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

7.7 Modification; Waivers. No amendment, modification or waiver of any provision of this Agreement shall be effective unless made in writing signed by all Parties hereto. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by all Parties.

7.8 Counterparts; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement may be transmitted to the Parties by facsimile or other electronic means, the Parties may sign and return their respective signatures by facsimile or other electronic means, and such signatures transmitted by facsimile or electronically will be presumed valid, binding, and of the same force and effect as an original signature to this Agreement. No provision of this Agreement is intended to confer upon any person or entity other than the Parties hereto any rights or remedies hereunder.

7.9 Assignment. This Agreement shall not be assigned or transferred by Licensee to any third party, whether by operation of law or otherwise, without the prior written consent of Licensor. This Agreement shall be binding upon and inure to the benefit of the parties, and, to the extent permitted herein, their successors and assigns. Nothing herein shall be construed to limit the right of Licensor to transfer or assign the Licensed Trademarks or this Agreement, provided that the transferee or assignee agrees in writing to be bound by the terms and conditions of this Agreement.

7.10 No Implied Waivers; Rights Cumulative. No failure on the part of any Party to exercise and no delay in exercising any right under this Agreement, or provided by statute or at law or in equity or otherwise, shall impair, prejudice or constitute a waiver of any such right, nor shall any partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

7.11 Independent Contractors. Nothing contained in this Agreement is intended implicitly, or is to be construed, to constitute the Parties as partners or create a joint-venture in the legal sense. No Party hereto shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of any other Party or to bind any other Party to any contract, agreement or undertaking with any third party.

7.12 Entire Agreement. This Agreement embodies the entire understanding between the Parties with respect to the Licensed Trademarks and supersedes all previous communications, representations or understandings with respect thereto, either oral or written.

7.13 Authority. To the extent that this Agreement is executed by a Party or Parties on behalf of an individual, corporation, governmental entity, trust, estate or other legal entity, such party or parties executing this Agreement represent that they have authority to act on behalf of the entities or individuals for which they purport to act and to bind those entities or individuals to the terms and conditions of this Agreement. Furthermore, as each Party is a legal entity, each Party acknowledges, represents, warrants and confirms that it has full and complete authorization and power to execute this Agreement in the capacity herein stated, and this Agreement is a valid, binding and enforceable obligation and does not violate any law, rule, regulation, contract or agreement enforceable against it.

7.14 Governmental Immunity. Except where otherwise expressly provided, the Parties hereto mutually represent and agree that the obligations, duties and benefits expressed herein and intended solely for the benefit of the Parties hereto and that no third party beneficiaries or *stipulation pour autri* is intended or established.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first written above.

LICENSOR:

IDEA PUBLIC SCHOOLS, INC.
a Texas non-profit corporation

LICENSEE:

IDEA Florida, INC.,
a Florida non-profit corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

**SCHEDULE A
LICENSED TRADEMARKS**

For allowed variations on color and typeface please Addendum No.1 attached hereto and incorporated herein by this reference.

**ADDENDUM NO. 1
USEAGE OF IDEA LOGO AND NAME**

Appendix D

COPYRIGHT LICENSE AGREEMENT

This COPYRIGHT LICENSE AGREEMENT (the "**Agreement**") is entered into as of this _____ day of _____, 2019 ("**Effective Date**"), by and between IDEA Public Schools, Inc., a Texas non-profit corporation ("**Licensor**"), and IDEA Florida, Inc., a Florida non-profit corporation ("**Licensee**"). Each of Licensor and Licensee are sometimes referred to hereinafter as a "Party" and collectively, as the "Parties."

RECITALS

Whereas Licensor owns copyrighted educational, curriculum and related materials identified on Schedule A ("**Copyrighted Curriculum Materials**");

Whereas Licensor (or its affiliate or subsidiary) and Licensee have entered into that certain Management Services Agreement ("**Service Agreement**") of even date; and

Whereas Licensee desires the right to use the Copyrighted Curriculum Materials in connection with and for the benefit of certain educational activities performed by the Licensee's IDEA Schools (as defined below).

NOW, THEREFORE, in consideration of the above and the mutual promises herein made, and in consideration of the representations, warranties, covenants, conditions and agreements herein contained, the Parties herein agree as follows:

ARTICLE 1 DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the meanings set forth below:

- 1.1 "Copyrighted Curriculum Materials" means the materials identified on Schedule A.
- 1.2 "IDEA Schools" means those schools identified in the Service Agreement.

ARTICLE 2 LICENSE GRANT AND RESTRICTIONS

2.1 Copyright License. As of the Effective Date, and subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a royalty-free, revocable, non-exclusive, non-transferable limited license (the "**License**") to use the Copyrighted Curriculum Materials in and for the benefit of the IDEA Schools in connection with its educational and administrative activities. Licensee may use the Copyrighted Curriculum Materials for its educational and administrative activities, and such use shall include the distribution, duplication and display of the foregoing in or for the benefit of the IDEA Schools, with such distribution, duplication, and display limited to the campuses of the IDEA Schools, and to password-protected areas of any IDEA Schools websites.

2.2 Licensor Ownership. Licensee acknowledges and agrees that:

- a. the Copyrighted Curriculum Materials, including all right, title and interest thereto and all goodwill associated therewith, and all applications and registrations thereof,

are owned solely by Licensor, and Licensee shall never directly or indirectly contest such ownership or validity thereof;

b. all use of the Copyrighted Curriculum Materials shall inure solely to the benefit of and be on behalf of Licensor;

c. the License granted herein is not intended to be and shall not be construed as an assignment; and, further, that nothing herein confers on Licensee any right, title or interest in the Copyrighted Curriculum Materials other than the limited right to use same in accordance with this Agreement; and

d. Licensor retains the right to use or to license the use of the Copyrighted Curriculum Materials for any reason or to any person.

2.3 License Restrictions. Licensor grants no rights other than those expressly granted herein. Without limitation of the foregoing, Licensee agrees that the License shall be subject to the following:

a. Licensee shall not use any Copyrighted Curriculum Materials, in whole or in part, in the creation of any new materials, including but not limited to any new or adapted course or curriculum, without written permission by Licensor.

b. Licensee shall not assign, transfer, sublicense or permit any third party the right to use any of the Copyrighted Curriculum Materials, in whole or in part, without Licensor's prior written consent;

c. Licensee shall not apply for a copyright in its own name for any of the Copyrighted Curriculum Materials or any other materials which are similar to or that would dilute or tend to dilute the distinctiveness of the Copyrighted Curriculum Materials;

d. Licensee shall not use any of the Copyrighted Curriculum Materials in any manner or commit any other act that would jeopardize or impair Licensor's rights in any of the Copyrighted Curriculum Materials under common law, under Texas or Florida law, or under federal or state copyright law, including but not limited to using the Copyrighted Curriculum Materials in a manner that may have the effect of invalidating or compromising the validity of any of Licensor's state or federal registrations, or applications for such registration for, any of the Copyrighted Curriculum Materials;

e. Licensee shall not use the Copyrighted Curriculum Materials in a manner that may disparage, or harm the goodwill associated with the Copyrighted Curriculum Materials or in any manner which implies or indicates a partnership or other relationship between the Parties other than the Parties' relationship as contemplated under this Agreement or any other written agreement between the Parties;

f. Licensee will use reasonable efforts to use the Copyrighted Curriculum Materials in material compliance with Licensor's reasonable copyright guidelines that are made applicable to all licensees, which may be developed by Licensor and furnished to Licensee from time to time;

g. Licensee shall not contest the fact that its rights under this Agreement are solely those of a non-exclusive licensee;

h. All presentation, delivery, instruction and/or use of the Copyrighted Curriculum Materials shall conform to the highest standards of quality, expectation, policy, and performance as defined by Licensor. Licensee agrees and acknowledges it shall be the sole right of Licensor to employ any and all necessary means to protect, preserve and maintain the highest levels of integrity and professionalism in providing the Copyrighted Curriculum Materials to the licensee and its audience;

i. Licensee agrees and acknowledges that no waiver of the right to amend, change, alter, delete, add, remove or replace any and all of the Copyrighted Curriculum Materials is made by Licensor to any one person or entity as the result of this Agreement; and

j. Licensee's foregoing acknowledgements, covenants and admissions shall survive the termination or expiration of this Agreement, including but not limited to termination of this Agreement for Licensee's material breach.

2.4 Future Claims.

a. In the event that (i) there is a claim or demand made against Licensor or Licensee with respect to any Copyrighted Curriculum Materials, or (ii) there is a determination by a court of competent jurisdiction or by another governing authority that the right to use any of the Copyrighted Curriculum Materials is unenforceable, or (iii) Licensor reasonably believes that it may be unable to obtain or maintain right to any or all of the Copyrighted Curriculum Materials, or (iv) Licensor reasonably believes that the use of any or all of the Copyrighted Curriculum Materials could subject Licensor or Licensee to a claim for infringement or any other liability, Licensor must notify Licensee in writing that it is terminating or modifying the right to use the relevant Copyrighted Curriculum Materials. In the event of such notice of termination or modification, Licensee shall be permitted a reasonable period of time from the notice to stop or modify the use of the Copyrighted Curriculum Materials in accordance with the notice, but in no event shall such reasonable time be deemed to exceed thirty (30) days from the date of the notice. Licensee shall be solely responsible and liable for any claim, demand, penalty or damages arising from its continued use of the Copyrighted Curriculum Materials after this period of time, and indemnify Licensor, to the extent permitted by or as otherwise limited by applicable law, for any claim, demand, penalty or damages arising from its continued use of the Copyrighted Curriculum Materials, as stated in Article 5.

b. Notwithstanding subsection (a) above, if a court or another governing authority enjoins Licensor from using or licensing the Copyrighted Curriculum Materials, then upon notice from Licensor, Licensee shall immediately cease (no later than thirty [30] days after receiving written notice of such action) using the Copyrighted Curriculum Materials. Licensee shall be solely responsible and liable for any claim, demand, penalty or damages arising from its continued use of the Copyrighted Curriculum Materials after such notice, and indemnify Licensor for any claim, demand, penalty or damages arising from its continued use of the Copyrighted Curriculum Materials, as stated in Article 5.

ARTICLE 3 QUALITY CONTROL

3.1 Quality Control. In addition to any and all provisions of Article 2, and in order to maintain the quality of the educational activities and goodwill associated with the Copyrighted Curriculum Materials, Licensee agrees to the following provisions.

a. Licensee shall comply in all material respects with all applicable laws relating to the implementation, performance, production, promotion, or distribution of any products or services related to its educational activities;

b. If Licensor determines that Licensee has failed to comply with any of the above provisions, Licensor may notify and require Licensee to undertake the appropriate corrective action that is reasonably necessary to comply with the above provisions. Should Licensee fail or be unable to take such corrective action with respect to a failure to comply with Sections 3.1(a) or 3.1(b) within the thirty (30) day period specified in Article 6, subject to the other provisions thereof, then Licensor may terminate this Agreement as stated in Article 6. Licensee shall use reasonable efforts to take corrective action in a prompt matter.

3.2 Copyright Enforcement and Prosecution.

a. If Licensee learns of any third party copyrighted materials which are likely to cause confusion with or to dilute any of the Copyrighted Curriculum Materials, Licensee shall immediately notify Licensor in writing with all relevant information and details. Licensee's failure to comply with this section, provided the failure is not intentional, shall not constitute grounds for termination of this Agreement.

b. Licensor shall have the right in its sole discretion to decide what, if any, action to take and whether to institute and prosecute any actions or proceedings with respect to the Copyrighted Curriculum Materials or any third party usage of the materials described in this Section 3.2(a) above.

c. If Licensor elects to institute an action or proceeding described above, it may do so in its own name alone or may elect to join Licensee as a party of interest. In the event that Licensor elects to join Licensee as a party, Licensee shall not object to such joinder and shall cooperate with Licensor's reasonable demands necessary to protect Licensor's intellectual property. Furthermore, Licensor shall pay any and all costs incurred by Licensee (including, without limitation, Licensee's attorney's fees and court costs) in connection with such action or proceeding.

d. Any litigation shall be prosecuted solely at the cost and expense of the party initiating same, and all sums recovered, whether by settlement, judgment or otherwise in excess of the amount of reasonable attorney fees and other out-of-pocket expenses, shall be awarded to the party initiating the action in accordance with the above, unless a joint action is pursued in which case the parties shall divide any award based upon the respective costs incurred by the parties.

e. Upon request of the party initiating the litigation, and at its expense, the other party shall furnish all documents and information, execute all papers, testify on all matters and otherwise cooperate in prosecuting the litigation.

**ARTICLE 4
DISCLAIMER; LIMITATION ON LIABILITY**

4.1 Disclaimer. THE COPYRIGHTED CURRICULUM MATERIALS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND AND LICENSOR EXPRESSLY DISCLAIMS ANY WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE COPYRIGHTED CURRICULUM MATERIALS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, NONINFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.

4.2 Limitations On Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY DIRECT OR INDIRECT LOST PROFITS OR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (HOWEVER ARISING, INCLUDING NEGLIGENCE) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

**ARTICLE 5
INDEMNIFICATION**

5.1 Indemnification by Licensor. Licensor shall, to the extent permitted by law, indemnify, defend, and hold Licensee harmless from any losses, damages, liabilities, settlements, attorney's fees, or costs that may or does arise as a result of any actions, causes of action, demands, claims or proceedings arising from a breach of Licensor's representations in this Agreement, including without limitation its representation that it is the sole owner of Copyrighted Curriculum Materials, all goodwill associated therewith, and all applications and registrations thereof.

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**ARTICLE 6
TERM**

6.1 Term. This Agreement shall become effective upon the Effective Date and shall be in effect as long as the Service Agreement is in effect, as may be extended (as provided therein), and, subject to the termination provisions set forth in this Agreement.

6.2 Termination for Breach. Licensor may terminate this Agreement, including any license granted by Licensor herein, or any rights granted by Licensor herein with respect to any Copyrighted Curriculum Materials, (i) at any time in the event of a material breach by Licensee of such license or (ii) upon a violation of a term or restriction applicable to such license or the Copyrighted Curriculum Materials, which remains uncured after thirty (30) calendar days written notice from Licensor or such longer period as is provided in Section 3.1(c).

**ARTICLE 7
GENERAL PROVISIONS**

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IDEA Public Schools, Inc.

Attn:

Ph:

Fax:

Licensee:

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an Texas non-profit corporation

LICENSEE:

IDEA Florida, INC.,
a Florida non-profit corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A
COPYRIGHTED CURRICULUM MATERIALS