

## MANAGEMENT AGREEMENT

This Management Agreement (this “**Agreement**”) is entered into as of May 23, 2024 (“**Effective Date**”) by and between Accel Schools East LLC, a Delaware limited liability company (“**Manager**”), and Clarksburg Classical Academy, Inc. (the “**Company**”), a West Virginia non-profit corporation.

### RECITALS

Whereas, the Company is organized as West Virginia nonprofit corporation under the laws of the state of West Virginia (the “**State**”) (as such provision may be amended from time to time) and has entered into a Charter Contract (as may be amended, the “**Charter Contract**”) with the West Virginia Professional Charter School Board, an authorizer under State law (the “**Authorizer**”), pursuant to which the Company is authorized to operate Clarksburg Classical Academy (the “**School**”), a public charter school under State law;

Whereas, the Manager was established, among other reasons, to manage public schools, and, subject to the terms and conditions set forth herein, has agreed to provide assistance and expertise to Company, including, but not limited to, regulatory, financial, facilities, and other advice, in connection with the operation of the School and as set forth herein; and

Whereas, the Company and the Manager (individually, a “**Party**” and collectively, the “**Parties**”) desire to create an enduring educational relationship whereby they will pursue and provide educational excellence at the School based on an agreed upon school design, comprehensive educational program and management principles.

**NOW THEREFORE**, in consideration of their mutual promises and covenants, and intending to be legally bound hereby, the Parties agree to the following terms:

### ARTICLE I. EDUCATIONAL SERVICES, ADMINISTRATIVE SERVICES AND TECHNOLOGY SERVICES

#### 1.1 Educational Services.

- (a) During the Term (as defined in ARTICLE II below), Manager will provide to the School the following educational services (the “**Educational Services**”) which are included the Management Fee (defined in Section 4.1(a) below) unless otherwise stated in this Section 1.1:
  - (i) Curriculum. Implementation of educational programs designed to achieve the goals set forth in the Charter Contract (the “**Educational Program**”). In the event Manager determines it is necessary to materially modify the Educational Services, Manager shall inform the Company’s governing board of directors (the “**Board**”) of any such proposed material changes and obtain Board approval, and if required under the Charter Contract,

approval of the Authorizer (it being agreed that the School shall cooperate in obtaining such approval). The School is responsible for the costs to purchase any curriculum.

- (ii) Instruction. Oversight and coordination of the services to be provided by instructional and administrative personnel, including the Head of School ("**HOS**") and the rest of the School's leadership team and its teachers and support staff, all in accordance with ARTICLE VI below.
- (iii) Instructional Tools. Selection of instructional tools, equipment, and supplies, including, but not limited to, textbooks, computers, curriculum, software and multi-media teaching tools. The School is responsible for the costs to purchase any instructional tools.
- (iv) AMP. Pursuant to ARTICLE VIII below, access to Manager's learning ecosystem, called the Accel Management Platform ("**AMP**"), which provides an integrated system for education and school operation. AMP includes: integration of rigorous and research-based online courses and functions as a powerful learning management system; a comprehensive student information system and reporting system; a live Webinar tool; a balanced student assessment system; and instructional data integration and presentation tools. AMP is a single sign-on experience that hosts synchronous and asynchronous lessons allowing for student-centered learning. AMP is capable of providing real-time progress monitoring, and can allow teachers instantaneous access to standards-aligned and performance-based data about each student. Using AMP, teachers can better identify students who need small group or one-on-one instructional support. As outlined in Section 4.1(b) below, the Company will pay Manager fees for the use of AMP.
- (v) English Language Learners (ELL). Implementation of curricular components designed to meet the needs of ELL as required by State and federal law. The ELL program supports a variety of first languages.
- (vi) Students with Special Needs. In serving students with disabilities, assistance in enabling School to comply with all applicable State and federal laws including, but not limited to, Section 504 of the Rehabilitation Act ("Section 504"), the Americans with Disabilities Act ("ADA"), and the Individuals with Disabilities Education Act ("IDEA"). Manager will provide or cause to be provided a continuum of special education services and range of placements to better enable the School to provide a free appropriate public education ("FAPE") in the least restrictive environment ("LRE"). Itinerant, supplementary, or full-time special education support will be provided via the telephone, Internet, live sessions, or in person in accordance with the student's IEP. Manager will provide a comprehensive program using alternative curriculum for qualified students. Related services (for example, occupational or physical therapy or counseling) will be provided face-to-face via computer, in homes, at community sites, and/or in therapist offices, depending on the needs of each individual student and as provided in the student's IEP.

- (vii) Gifted Students. Teachers to work closely with the parent/guardian and the curriculum team to promote a steady flow of enrichment activities for students working above grade level. Manager may also offer students virtual gifted education, which can enable them to work significantly above grade level without the restraints of traditional school classroom pacing. Advanced Placement courses are available in Mathematics, Language Arts, Spanish, Science, and History/Government.
  - (viii) Provision of Services for Students with Exceptionalities. To the extent possible, services for students with special needs and gifted students shall be provided by School staff; in the event School staff resources are insufficient to provide these services, Manager may select vendors for the provision of these services. Any contract with a vendor for the provision of these services must be approved in advance by the Board if the annual cost of the contract is expected to exceed \$25,000.
  - (ix) Extra-Curricular and Co-Curricular Programs. Oversight of appropriate extracurricular and co-curricular activities and programs (but not Supplemental Programs as defined in ARTICLE V below).
  - (b) Additional Educational Services. Any other services required under federal or State law, under the Charter Contract and/or by the West Virginia Department of Education (the “**WVDE**”) and such other services as are necessary or expedient for the provision of teaching and learning at the School as agreed between Manager and the Company from time to time. The School may be responsible for the costs associated with additional educational services.
  - (c) Provision of Educational Services. Manager will provide the Educational Services in accordance with the Educational Program, goals, curriculum, methods of pupil assessment, the School’s admissions policy, the School’s student recruitment policy, school calendar, school day schedule, and age and grade range of pupils to be enrolled at the School as adopted by the Company and as provided for in the Charter Contract.
  - (d) Budget Limitation. Manager will be responsible and accountable to the School for the provision of the Educational Services, provided, however, that such obligations, duties and responsibilities are limited by the Budget established pursuant to Section 1.2(a)(v) below. Therefore, notwithstanding anything to the contrary set forth above, Manager shall have no obligation to perform any Educational Services not contemplated by the Budget and will not be required to expend funds on Educational Services in excess of the amounts set forth in such Budget.
- 1.2 Administrative Services.
- (a) During the Term, Manager will provide to the School the following administrative services (the “**Administrative Services**”) which are included the Management Fee unless otherwise stated in this Section 1.2:
    - (i) Personnel Management. Management and professional development of all personnel providing Educational Services and Administrative Services in accordance with ARTICLE VI below.

- (ii) Human Resources Services. Manager will provide human resources services as described in Sections 6.1 through 6.5 below.
- (iii) Business Administration. Administration of all business operations of the School subject to the direction of the Company.
- (iv) Transportation and Food Services. Coordination with entities with which the School contracts for the provision of transportation and food services for the students enrolled at the School, manage and assess the services provided under such contracts, and supervise staff involved with providing such services, all as required by the Board. The School is responsible for the costs of purchasing any transportation and food services.
- (v) Marketing and Public Relations. Manager will coordinate and assist the Company with any and all advertising, branding, media and public relations efforts which may include website creation, search engine marketing, social and display marking, television and radio advertisements, direct mail, promotional events, email campaigns, parent and community outreach programs, and local community relationship building. All public relations will be subject to the mutual approval of both Parties, which approval may not be unreasonably withheld, and expenses for public relations will adhere to the Budget or as otherwise approved by the Board. The School is responsible for the costs of purchasing any marketing and public relations activities and materials.
- (vi) Budgeting and Financial Reporting. Provision of budgeting and financial reporting services in accordance with the below:
  - (A) The Manager will prepare a proposed annual budget and five-year forecast (in cooperation with the Board) in a mutually agreeable format by June 1<sup>st</sup> of the immediately preceding fiscal year subject to the approval of the Board which shall not be unreasonably withheld or delayed and in all cases shall be provided no later than June 30 of the immediately preceding fiscal year. The Manager will prepare a proposed revised annual budget and five-year forecast (in cooperation with the Board) in a mutually agreeable format by October 1 of each fiscal year, subject to the approval of the Board which shall not be unreasonably withheld or delayed and in all cases shall be provided no later than October 30 to comply with the Charter Contract.
  - (B) The latest approved budget is the “**Budget**”. There shall be no changes to the Budget impacting the Manager provided the School remains in a surplus position except to the extent the Parties agree in writing. The Manager shall be responsible for preparing other financial statements as required by and in compliance with the Charter Contract, and applicable laws and regulations, including such documentation as may be required by the independent certified public accountants retained by the Company to perform annual audits of the School’s financial statements. The Company shall be responsible for the costs of the audit and preparation of the financial statements, and the costs will be provided for in the Budget.

- (C) The Manager will provide the Board with monthly financial forecasts and analysis reports (Forecasted P&L / Cash Balances) and a monthly detailed budget as required under W. Va. Code 18-5G-7(c)(4).
- (D) The Manager will provide the following accounting information and services: accounts payable coding; payroll journal entries; expense accrual journal entries; support for grant writing / reporting / draw down; and support for all State and federal reporting requirements.
- (E) On behalf of the School, the Manager is responsible for preparing (i) such other reports on the finances and operation of the School as reasonably requested or required by State law, the WVDE, the Board, or the Authorizer if necessary to cause compliance with the terms of State law and the Charter Contract; (ii) monthly unaudited financial statements; and (iii) year-end unaudited financial statements which will be provided within forty-five (45) days after the end of the fiscal year.
- (F) The Manager will provide other information on a periodic basis or as requested with reasonable notice as may be reasonably necessary to enable the Board to monitor Manager's performance under this Agreement and related agreements including the effectiveness and efficiency of its operations at the School.
- (G) On behalf of the School, the Manager will maintain accurate financial records pertaining to its operation of the School, together with all School financial records it prepares, and retain all such records for a period of five (5) years (or longer if required by applicable laws and regulations) from the close of the fiscal year to which such books, accounts and records relate. All the School financial records retained by the Manager pertaining to the School and prepared as an Administrative Service hereunder will be available to the Board, and upon the written request of the Board, to the Authorizer, the Auditor of State, the WVDE, the United States Department of Education and to all other appropriate regulatory authorities for inspection and copying upon reasonable request, it being understood that Manager will endeavor to make such copies available within thirty (30) Business Days (as defined in Section 4.5 below) of request.
- (H) If the Company is not able to fully pay the Management Fee or any bills when due, then the School shall (i) work with Manager to take actions to reduce expenses including, but not limited to, reducing the number of staff members, and (ii) obtain Manager's written consent prior to incurring costs, expenses, or other liabilities not contemplated under the Budget greater than ten thousand dollars (\$10,000) individually or in the aggregate.
- (I) School's Right to Audit. Upon reasonable advance written notice, the Company may conduct or appoint others to conduct examinations, at the School's expense, of the books and records maintained solely for the School and not previously provided to the School. Any such audit shall be conducted by the Board or its representative during mutually agreed

business hours in a manner so as to minimize disruption to the Manager's operation of the School and to the Manager.

(vii) Maintenance of Student and Other Records. Maintenance of other records as set forth below:

- (A) Manager will maintain records pertaining to the students enrolled at the School as is required and in the manner provided by the Charter Contract and applicable laws and regulations, together with all additional School student records prepared by or in the possession of Manager, and retain such records on behalf of the School, until this Agreement expires or is terminated, at which time such records will be delivered to the Company which shall thereafter be solely responsible for the retention and maintenance of such records (it being understood that student records are and shall be at all times the property of the School). Manager and the Company will maintain the proper confidentiality of student records as required by law and the Charter Contract.
- (B) Manager will maintain employment, business and other records pertaining to the operation of the School as is required and in the manner provided by the Charter Contract, and applicable laws and regulations, together with all additional School employment, business and other records prepared by or in the possession of Manager, and retain such records on behalf of the School until this Agreement expires or is terminated, at which time the records will be delivered to the Company which shall thereafter be solely responsible for the retention and maintenance of the records (it being understood that the employment, business, and other records are and shall be at all times the property of the School, provided, for the avoidance of doubt, that records of the Manager and its Affiliates (as defined in Section 3.7 below) pertaining to their existence and operation (including, without limitation, records maintained by Manager and its Affiliates in respect of its employees) are the sole and exclusive property of the Manager. Manager and the Company will maintain the proper confidentiality of such records as required by law and the Charter Contract.
- (C) The financial, educational and student records pertaining to the School are subject to the applicable provisions of State and federal law. The Company recognizes and agrees that for purposes of the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g; 34 CFR Part 99 ("**FERPA**"), that Manager has a legitimate educational interest in the disclosure to Manager by the School (or its designees) of a student's educational records and that such records shall be disclosed to Manager so Manager may provide the products and services described in this Agreement. The Company recognizes and agrees that Manager and its Affiliates are "school officials" and have a "legitimate educational interest" as permitted by FERPA, and the Company will take all steps necessary to ensure Manager has access to records necessary to permit the provision of the educational products and services hereunder. Manager shall help

- facilitate, to the extent requested by the Board, the availability of all School records, whether physically or electronically, upon request, at the School.
- (D) Manager shall provide such other information, including written reports, as reasonably requested by the Board.
- (viii) Contractors. Manager shall assure that contractors or service providers or their employees are prohibited from making direct, unaccompanied contact with students and from access to school grounds unaccompanied when students are present if it cannot be verified that the contractors, service providers, or their employees have not previously been convicted of a qualifying offense pursuant to W. Va. Code §18-5-15c.
- (ix) Volunteers. Manager shall annually require volunteers to obtain a criminal background check to confirm no qualifying offenses before unsupervised access to students.
- (x) Admissions. Implementation of the School's admission policy in accordance with the Charter Contract, and applicable laws and regulations.
- (xi) Student Hearings. Administration and enforcement of student disciplinary and special education hearings in conformity with the requirements of the procedures established by the Board, and applicable laws and regulations (including, but not limited to, requirements involving due process and confidentiality) to the extent consistent with the School's duties and obligations under applicable laws and regulations.
- (xii) Academic Progress Reports. Provide to the Board on a periodic basis as necessary or appropriate for the Company to satisfy its obligations under the Charter Contract, and applicable laws and regulations, a report detailing (A) the School's students' academic performance, (B) Manager's performance of the Educational Services and Administrative Services against mutually acceptable criteria, and (C) such other metrics of performance reasonably requested by the Board.
- (xiii) Pursuant to W. Va. Code §18-5G-4(b)(7)(B)(ix) and §18-5G-6(h) and Exhibit G of the Charter Contract, the Manager shall provide the Board with an annual report to assist the Authorizer in gathering complete information about the School, consistent with State statutory requirements and the Charter Contract. This report shall also include mention of any successful innovations, if any, that may be replicated in other schools. This report is due to the Board in time to meet the Authorizer's deadline for the submission of the report.
- (xiv) Rules and Procedures. Recommend rules and procedures applicable to the School, its students, and staff, if applicable, and enforce such rules and procedures adopted by the Board that do not conflict with or violate this Agreement, the Charter Contract, or applicable laws and regulations.
- (xv) Student Recruitment. Recruit students, subject to agreement on general recruitment and the School's admission policy, to the extent budgeted for in the Budget or as otherwise approved by the Board. Students shall be selected in compliance with the School's admission policy and the procedures set forth in the Charter Contract and State and federal laws.

- (xvi) Facility Management. Manager will coordinate all Facility (as defined in Section 1.4 below) repairs and maintenance, cleaning services, grounds maintenance, proposed alterations, plans for future development, security planning and related contractor services. The costs for vendors used to provide the services being coordinated by Manager is the responsibility of School.
  - (xvii) Additional Administrative Services. Any other services reasonably necessary for the effective administration of the School as agreed to from time to time by Manager and the Company. The School may be responsible for the costs associated with additional administrative services.
    - (A) The Administrative Services will be provided in a manner consistent with the Educational Program; the Charter Contract; local, State and federal laws; and applicable regulations and policies.
    - (B) Subject to this Agreement, the Charter Contract, and applicable laws and regulations, Manager may modify the methods, means and manner by which such Administrative Services are provided at any time, provided that Manager supplies the Company with written notice of material modifications.
  - (b) Manager will be responsible and accountable to the Company for the provision of the Administrative Services to the extent provided for in the Budget established in Section 1.2(a)(v) above. Therefore, notwithstanding anything to the contrary set forth in Section 1.2(a) above, Manager shall have no obligation to perform any Administrative Services not contemplated by the Budget or any amendment thereto, and will not be required to expend its own funds on Administrative Services in excess of the amounts set forth in such Budget.
- 1.3 Technology Consulting Services. During the Term, Manager will provide the following technology consulting services and products (the “**Technology Consulting Services**”) which are included the Management Fee (defined in Section 4.1(a) below) unless otherwise stated in this Section 1.3:
- (a) During the Term, Manager or its Affiliates (as defined in Section 3.7 below) will provide oversight of the delivery of technology services. The School is responsible for the costs to purchase any technology services.
  - (b) The Company acknowledges that Manager will charge fees to it for the provision of computer equipment. The School is responsible for the costs to purchase any computer equipment.
  - (c) Manager will be responsible and accountable to the Company for the provision of the Technology Consulting Services and computer equipment to the extent provided for in the Budget established pursuant to Section 1.2(a)(v) above. Therefore, notwithstanding anything to the contrary set forth above, Manager shall have no obligation to perform any Technology Consulting Services or provide computer equipment not contemplated by the Budget or any amendment thereto. Manager will not be required to expend its own funds on Technology Consulting Services or computer equipment in excess of the amounts set forth in such Budget.
- 1.4 Place of Performance; Provision of Offices. The School will provide Manager with necessary and reasonable classroom and office space at 1626 W. Pike Street,

Clarksburg, WV 26301 (the “**Facility**”) to perform all services described in this Agreement. Manager will provide instructional, extra-curricular and co-curricular programs at the Facility. Manager may provide other services elsewhere, unless prohibited by the Charter Contract, or applicable laws and regulations.

- 1.5 Authority. By this Agreement, the Board provides Manager such authority and power as is necessary and proper for Manager to undertake its responsibilities, duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated by applicable laws and regulations, court decision, or by the terms of the Charter Contract.

## ARTICLE II. TERM

- 2.1 Term. The term of this Agreement will commence on July 1, 2024 (the “**Start Date**”) and shall continue thereafter through June 30, 2029 (the “**Initial Term**”) unless sooner terminated pursuant to ARTICLE VII or mandated by regulation or statute.
- 2.2 Renewal. Upon the conclusion of the Initial Term and each Renewal Term (defined hereinafter) thereafter, this Agreement will automatically extend for successive additional periods of ten (10) years (each such period is a “**Renewal Term**”) provided that if, at the time of any renewal, the term then remaining under the Charter Contract is less than ten (10) years, that Renewal Term shall be coterminous with the term of the Charter Contract) unless (a) either Party provides the other with written notice of non-renewal at least eighteen (18) months before expiration of the then-current Term (defined hereinafter), in which case, this Agreement shall terminate effective as of such expiration; (b) the Company provides the Manager written notice of its intent to renegotiate the Agreement at least eighteen (18) months before expiration of the then-current Term after which time the Parties agree to renegotiate this Agreement in good faith and, failing to come to new terms within six (6) months of the notice, this Agreement shall terminate effective as of the expiration of the then-current Term; or (c) the Agreement is sooner terminated under ARTICLE VII. The Initial Term and any Renewal Terms will be referred to collectively as the “**Term.**”
- 2.3 Authorizer or Charter Contract Change. In the event the Authorizer and/or the Charter Contract changes, this Agreement shall automatically survive and be performed in accordance with the new Charter Contract, these terms and conditions and applicable law unless this Agreement is otherwise terminated in accordance with ARTICLE VII herein. Notwithstanding the foregoing, if any change to the Charter Contract has a material adverse effect on Manager’s ability to deliver services, upon written notice to the other Party, Manager or Company may request renegotiation of this Agreement. Request for renegotiation may be given any time following notice of the change whether the change is effective on the date of notice or thereafter. The Parties shall renegotiate in good faith. If the Parties are unable to agree on revised terms within thirty (30) days after notice of renegotiation is given, termination of this Agreement will be effective at the end of the school year

in which notice of renegotiation was given unless earlier termination is necessary to protect the health, welfare or safety of students.

### **ARTICLE III. RELATIONSHIP OF THE PARTIES**

- 3.1 Status of the Parties. Manager is not a division or any part of the Company. The Company is a separate and distinct legal entity authorized under State law and is not a division or a part of Manager. The relationship between the Parties was developed and entered into through arms-length negotiations and is based solely on the terms of this Agreement and those of any other agreements that may exist from time to time between the Parties. Nothing herein will be construed to create a partnership or joint venture by or between the Company and Manager. Neither the Company nor Manager will hold itself out as a partner of the other or otherwise state or imply by advertising or otherwise any relationship between it and the other in any manner contrary to the terms of this Agreement. Neither the Company nor Manager has, and neither will represent that it has, the power to bind or legally obligate the other. Manager is an independent contractor. No employee of one Party will be considered an employee of the other Party by either Party for any purpose whatsoever.
- 3.2 Oversight of Manager. The Company shall be responsible for monitoring Manager's performance under, and compliance with, the terms of this Agreement in accordance with applicable law. Accordingly, the Company shall be responsible for overseeing the School's quality, and operational and financial performance, and also for working with the Authorizer as required. Manager shall reasonably cooperate with Company's monitoring and oversight.
- 3.3 School-Related Correspondences. The Board shall provide Manager with all reports, documents and other findings that are related to or may have an impact on the School, the Authorizer and/or Manager's obligations herein. School-related correspondence includes, but is not limited to, adopted Board minutes, resolutions and Board reports, State audit preliminary and final reports, Authorizer reports, findings and correspondence, and any reports, financial or otherwise, submitted to a State regulatory body.
- 3.4 Manager Attendance at Board Meetings. Manager shall use commercially reasonable efforts to cause its personnel to attend Board meetings in person and, if unable to attend in person, may attend telephonically or virtually. The Board shall use commercially reasonable efforts to schedule any regular, special, or emergency Board meeting so that Manager has the opportunity to attend the same. The Board shall provide Manager with notice of any regular, special, or emergency meeting of the Board when it provides members of the Board with notice of the meetings.

- 3.5 No Related Parties or Common Control. Manager will not have any role or relationship with the Company that, in effect, substantially limits the Company's ability to exercise its rights, including cancellation rights, under this Agreement. Any director, officer or employee of Manager shall be prohibited from serving on the Board. None of the voting power of the Board will be vested in Manager or its directors, members, managers, officers, shareholders and employees, and none of the voting power of the Board or shareholders of Manager will be vested in the School or its directors, members, managers, officers, shareholders (if any) and employees. Furthermore, the Company and Manager will not be members of the same control group, as defined in Section 1.150-(f) of the regulations under the Internal Revenue Code of 1986, as amended (or its successor) (the "**Internal Revenue Code**"), or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code.
- 3.6 Other Schools. The Company acknowledges that Manager will have the right to render similar services to other persons or entities including other public or private schools or institutions.
- 3.7 Exclusivity. During the Term, Manager and its Affiliates shall be the sole providers of or shall coordinate with and/or facilitate performance by third parties for, the products and services set forth herein for the School unless otherwise waived in writing by an authorized officer of Manager. "**Affiliate**" means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Manager whether through ownership of voting securities, by contract interest or otherwise. The School shall only be financially responsible or liable to third parties for those services which are not the responsibility of Manager hereunder.

#### **ARTICLE IV. CONSIDERATION**

- 4.1 Compensation for Services and Computer Equipment
- (a) Management Fee. The Company will pay to Manager an annual fee (the "**Management Fee**") of fifteen percent (15%) of all federal, State and local funds the Company receives, directly or indirectly, for all students enrolled in the School pursuant and subject to applicable law and regulations. The Management Fee calculation shall not include free and reduced lunch revenues, charitable contributions, transportation funding, or proceeds from fundraisers ("**Non-Qualified Gross Revenue**") which shall be retained entirely by the Company.
- (b) AMP Fee. The Company will pay to Manager fees for AMP Premium package unless the School selects a different level of AMP. The current AMP Price List is attached hereto as Exhibit A, and Manager may modify the fees from time to time, but no more than once per school year; such modification shall not exceed the annual change in the Consumer Price Index. Manager will give School 90 days' written notice of fee modification.

- (c) Reasonable Compensation. The fees charged under this Agreement are reasonable compensation for products and services rendered. Manager's compensation for products and services under this Agreement will not be based, in whole or in part, on a share of net profits from the operation of the School.
  - (d) Annual Reconciliation. The Management Fee shall be subject to annual reconciliation based upon actual enrollment and actual revenue received (including the final month of the Term, even though the payment may be made beyond expiration or termination of the Term). If the Company receives written notice of a review of the enrollment being completed by the State, the Company shall provide Manager with a copy of the written notice promptly upon receipt of same (and in any case, within three (3) Business Days, as defined in Section 4.5 below). If the review results in a finding that additional funding is owed to the School, the Company shall make payment to Manager within five (5) Business Days after receiving an invoice for such amount. If the review results in a finding that the School owes money to the State, the Company will work with the Manager to initiate an appeal of the State's determination. Manager shall select legal counsel and a strategy for the appeal and pay any and all expenses and costs related to the appeal including attorneys' fees. The Company shall cooperate with Manager and selected legal counsel's efforts to appeal. Should the review result in the School owing money to the State, Manager agrees to contribute the amount overpaid to Manager and the Company shall contribute the amount overpaid to the Company.
  - (e) Consideration referenced in this section shall not preclude the payment of additional consideration if additional consideration is permitted or specified in any other written agreement between the Parties.
- 4.2 Payment of Costs. If Manager incurs any costs to provide products or services pursuant to this Agreement which are the financial responsibility of the Company hereunder, the Company will reimburse Manager for such direct costs which may include, but are not limited to, mortgage, rent and/or lease payments (including costs pursuant to any equipment lease, but not Furniture and Equipment Lease referenced in Section 4.3 below or Facility lease that the Company may enter into), Facility maintenance and utility costs, salaries, human resources administration and payroll management services costs (including payroll, benefits, recruiting, workplace safety and compliance) specified in Article VI below, attorneys fees for obtaining property tax exemption for the School, costs related to curriculum, instructional materials, textbooks, computers, computer equipment, software (including business software not included in AMP), supplies, food service, transportation, special education, psychological services and medical services. Except as may be provided in any equipment lease or Facility lease that is the subject of this Section 4.2, in charging for such costs to the School and paying for such costs, Manager will not charge an added fee unless such fee is approved in advance by the Company. The aforementioned costs may change during the Term based on circumstances beyond Manager's control, including, without limitation, third-party provider costs such as fuel, labor and building materials.

- 4.3 Furniture and Equipment Rental. Company may enter into a separate Furniture and Equipment Lease with Manager to rent furniture and equipment for the School and shall pay storage and delivery charges applicable to same. Furniture and equipment purchased with grant, government or other school funds will not be leased and ownership will remain with the School.
- 4.4 Time and Priority of Payments.
- (a) Each installment of any fee set forth in Section 4.1(a)-(d) above will be due and payable by the Company upon receipt of invoice and delinquent if not paid within thirty (30) days thereafter.
  - (b) Manager will notify the Company of any payments due and owing to Manager pursuant to Section 4.2 above as soon as possible after the end of each month. Company will make such payments to Manager upon receipt of invoice and be delinquent if not paid within thirty (30) days thereafter. The payment of any invoice to the Manager greater than \$10,000 shall be first approved by the Board; the invoice shall be presented to the Board at its next regular meeting; to comply with West Virginia Open Meetings Act, the invoice must be received at least five Business Days before the next regular meeting otherwise the Board will consider it at the following regular meeting; and such time to obtain Board approval shall not be included in the thirty (30) day payment timeframe outlined in this Section 4.4(b).
  - (c) The Company will satisfy its payment obligations under this ARTICLE IV in the following order of priority: (i) payments due and owing for salaries, benefits and associated administration costs of employees performing the services contemplated hereunder; (ii) payments due and owing for rent pursuant to Facility lease; (iii) Authorizer fee; (iv) all other payments due and owing under Sections 4.2 above, with the oldest amounts due first; and (v) payments due and owing pursuant to Section 4.1 above with the oldest amounts due first.
- 4.5 Payroll Submission.
- (a) The Board will submit payroll and payroll tax monies to Manager via one of two funding methods (each a **"Funding Method"**): (i) Automated Clearing House (**"ACH"**) funding, or (ii) wire funding (**"Wire"**). The Company is only eligible for ACH funding if approved by the Manager. The Company must utilize the Wire Funding Method if the Company is not approved for the ACH Funding Method. "ACH" means the network used for electronic payments and money transfers, Automated Clearing House.
  - (b) Manager will submit payroll information to the Company. The Company shall submit the designated payroll amount two (2) Business Days prior to Manager's scheduled payroll payment date. **"Business Day"** means any day of the year other than (a) a Saturday, Sunday or (b) a day on which the Company's banking institutions are closed; or (c) a statutory or civic holiday in the United States. Manager will initiate electronic payment not later than 2:30 p.m. Eastern Time, to be settled not later than 4:30 p.m. Eastern Time on the date payment is due. Company's failure to timely fund payroll may result in the requirement to utilize an

alternative Funding Method, and delayed processing of banking, and other transaction or additional fees may be imposed including, without limitation, by the applicable financial institutions. The Company shall indemnify, defend and hold Manager harmless from and against claims, losses or any other liabilities arising from or relating to Company's late submission of transactions.

- 4.6 Interest Rate and Fee Carryovers. Unless otherwise agreed by the Parties, unpaid Management Fees and loans other than a startup Line of Credit Loan Agreement and Promissory Note will accrue interest at the one-month Secured Overnight Financing Rate ("**SOFR**") plus four percent (4%). There will be no limits to what indebtedness or fees owed to Manager may be carried over from year to year unless expressly provided otherwise in this Agreement.
- 4.7 Per Charter Contract Exhibit G, Manager may not charge any fee apart from the fees specified herein; any fee not specified in this Agreement shall not be payable unless the Board and the Manager agree in a separate writing for the additional fee, and that that new fee is fair and reasonable.

## **ARTICLE V. SUPPLEMENTAL PROGRAMS**

In addition to the Educational Services, Administrative Services and Technology Consulting Services provided by Manager to the School, the Parties may agree that Manager will provide additional services, terms of which shall be determined on a case-by-case basis, which may benefit the School by increasing its exposure in the community including, but not limited to, pre-kindergarten, summer school, academic camps, before and after school programs, vocational training, and latch-key programs to students and non-students of the School (the "**Supplemental Programs**"), provided that nothing herein shall require Manager to provide any such Supplemental Programs. If either Party proposes a Supplement Program, the Parties shall consider the same in good faith and, if the same be agreeable to both Parties, work cooperatively with each other to facilitate the Supplement Program's development and implementation. The School may be responsible for the costs associated with Supplemental Programs.

## **ARTICLE VI. PERSONNEL AND TRAINING**

- 6.1 Personnel Responsibility.
- (a) Employer; Human Resources Administration and Payroll Management Services. Commencing on the Start Date, all direct hire personnel working for the School, except the HOS, shall be employees of the Company. In Manager's sole discretion, if the State provides material financial consideration for schools whose employees do not participate in the State retirement plan (Teachers' Retirement System) or State health benefits offerings, then Manager shall become the employer of all direct hire personnel working for the School,
- (b) Manager will notify the Board of the employer change, which would be effective as early as is practical. When the Company is the employer, Manager will be

responsible for human resources administration and payroll management services described in Exhibit B attached hereto, and the costs payable by Company for the services shall be \$7500 per month for first 15 employees; additional \$1500 per month for 10 incremental employees through 65 employees; and additional \$1000 per month for 10 incremental employees beyond 65 employees. When Manager is employer of all direct hire personnel, it shall be responsible for human resources administration and payroll management services, and costs payable by Company for the services shall be Manager's then-current list price. The aforementioned costs may change during the Term based on circumstances beyond Manager's control, including, without limitation, third-party provider costs and the labor market. Notwithstanding the foregoing, each month the Board is the employer of all direct hire personnel working for the School except the HOS, Company shall pay \$3,750 for human resources administration and payroll management services for a total of \$45,000 per year.

- (c) Subject to Sections 1.1 and 1.2 above, the Charter Contract, and applicable laws and regulations, Manager shall provide the human resource consulting services described in Exhibit C attached hereto, which are included in the Management Fee. When Manager is the employer of direct hire personnel, it will have the sole responsibility and authority to determine staffing levels, and select, evaluate, assign, discipline, supervise, manage and hire and terminate personnel necessary to carry out the Educational Services, Administrative Services, Technology Consulting Services, Supplemental Programs (if any) and all other services provided under this Agreement. When Company is the employer of direct hire personnel, Manager will provide the foregoing activities on behalf of the Company.
- (d) As part of the human resources administration and payroll management services, Manager will be responsible for conducting reference checks, employment checks, criminal background checks and unprofessional conduct checks on all employees and subcontractors, whether employed by School or Manager, to the extent required by applicable laws and regulations and the Charter Contract. as if the employees and subcontractors were employed by the School. Upon request, Manager will provide the School with documentary evidence of such background checks. Manager will share on a confidential basis with the School its performance reviews and assessment of the HOS.
- (e) School shall not pay a bonus or other form of compensation to any employee or subcontractor employed by Manager or its Affiliates without advance consultation with, and written approval from, Manager.

6.2 Head of School. During the Term, the HOS will be an employee of Manager and Manager will determine the employment terms of the HOS. Manager will have the authority, consistent with applicable laws and regulations, to select, supervise and terminate the HOS and to hold the HOS accountable for the success of the School.

6.3 Teachers. Notwithstanding which Party is the employer of direct hire personnel working for the School as set out in Section 6.1(a) of this Article, Manager will staff the School with such teachers as are required to provide the Educational Services

and Supplemental Programs (if any). Manager, in consultation with the HOS, will determine the number and assignments of such teachers. Such teachers may work at the School on a full or part time basis. Each teacher assigned to the School will be qualified in his or her grade levels and subjects, and, to the extent required by applicable laws and regulations, hold a valid teaching certificate or license issued by the WVDE, although such certificate or license is not a condition for employment at School. Further, to the extent required by applicable laws and regulations and School policy, before having contact with students, as part of the human resources administration and payroll management services Manager shall require all teachers to have undergone a State criminal history check (including fingerprinting by the State police) pursuant to W. Va. Code §18A-3-10, and an unprofessional conduct check as if such teachers were employees of the School. Upon request, Manager shall provide the School with documentary evidence of its compliance with this Section 6.3. Manager shall keep the Board informed of all material actions and decisions relating to teaching staff on a regular basis.

Support Staff. Notwithstanding which Party is the employer of all direct hire personnel working for the School as set out in Section 6.1(a) of this Article, Manager will staff the School with such support staff as are required to provide the Educational Services, Administrative Services and Supplemental Programs (if any). Such support staff may include, among others, teachers' aides, clerical staff, administrative assistants to the HOS, bookkeepers, and maintenance personnel. Support staff may work at the School on a full or part time basis. Further, to the extent required by applicable laws and regulations and School policy, before having contact with students, as part of the human resources administration and payroll management services Manager shall require all support staff to have undergone a State criminal history check (including fingerprinting by the State police) pursuant to W. Va. Code §18A-3-10 and an unprofessional conduct check. Upon request, Manager shall provide the School with documentary evidence of its compliance with this Section 6.4.

- 6.4 Training. Manager will provide training in its instructional methods, curriculum, educational program and support technology to its instructional personnel on a regular and continuous basis. The training will enable the School's instructional staff to provide in-service training to each other. Non-instructional personnel will receive such training as Manager determines to be reasonable and necessary under the circumstances.
- 6.5 Staff Handbook. As part of the services included in the Management Fee, Manager will provide guidance about the Staff Handbook and policy that complies with W. Va. Code section 18-5G-8(b)(11) which Company may adopt. As part of the human resources administration and payroll management services, Manager will develop, implement, and maintain a Staff Handbook that accurately reflects the Company's policies and practices.
- 6.6 Non-Solicitation/Non-Hiring.

- (a) During the Term and one (1) year thereafter, each Party, unless otherwise agreed to in writing, may not directly or indirectly solicit, recruit for employment, offer employment to, offer subcontracting opportunities to, or otherwise employ or use the services of any current or former consultant or former employee of the other Party or Affiliate if that consultant, employee, former consultant or employee had been assigned to or worked under this Agreement. Former consultant or employee means a consultant or employee who worked for a Party within six (6) months prior to hire or potential hire by the prohibited Party.
- (b) Unpermitted Solicitation/Hiring Remedies. If a Party breaches the clause immediately above, the other Party, at its option, may seek receipt of a sum equivalent to one hundred percent (100%) of that consultant, employee, former consultant or former employee's compensation during their first year with the new employer, and seek any legal or equitable relief against such actions including, but not be limited to, immediate injunctive relief in any court of competent jurisdiction under Section 13.3 below. The one (1) year period of time referenced above will be extended by the amount of time a Party engages in any activity in violation of this Agreement and while the aggrieved Party seeks enforcement of this Agreement.
- (c) Solicitation Exceptions. For the avoidance of doubt, newspaper, periodical or Internet-based listings of employment opportunities by a Party shall not be considered direct or indirect solicitation of an employee, consultant, former employee or former consultant of the other Party or Affiliate. However, such Party shall continue to be precluded from engaging or otherwise using a Party's and Affiliate's employee, former employee, consultant or former consultant as set forth in this Section 6.7.

## **ARTICLE VII. TERMINATION OF AGREEMENT**

- 7.1 Notice and Timing. Any notice of termination shall take effect at the end of the last day of the then-current school year unless otherwise specified herein or agreed to by the Parties. Notice of termination must be made in writing and delivered to the addresses set forth herein no later than January 15 of the then-current school year and shall list the reason(s) for termination. Early termination will not relieve the School of any obligations to pay fees and costs, whether accrued, pending or outstanding, to Manager.
- 7.2 Termination by Both Parties. The Parties may agree, at any time, in writing to terminate the Agreement.
- 7.3 Termination by Either Party. Either Party may terminate on the following grounds:
  - (a) Effective upon failure to timely cure, if the other Party materially breaches this Agreement and fails to cure the breach within thirty (30) days following written notification of the breach. Failure to pay Manager for services as set forth in Article IV shall be considered a material breach, excluding overdue payments resulting from a payment dispute or delay between the School and any funding entity. If

objectively ascertainable reasonable efforts have been made to effect a cure and the breach at issue does not objectively lend itself to cure within the thirty (30) day period, then additional time as necessary to complete the cure shall be permitted, but in no event more than sixty (60) days following written notification of breach.

- (b) If any federal, State or local law or regulation or court or administrative decision could reasonably be expected to have an adverse effect on the ability of either Party to carry out its obligations under this Agreement, a Party, upon written notice to the other Party, may request renegotiation of this Agreement. Notice may be given any time following an adverse court or administrative decision or the enactment or promulgation of any governmental law or rule imposing such change whether the change is effective on the date of enactment or promulgation, or thereafter. The Parties shall renegotiate in good faith. If the Parties are unable to agree on revised terms within thirty (30) days after notice of renegotiation is given, termination of this Agreement will be effective at the end of the school year in which notice was given unless earlier termination is necessary to protect the health, welfare or safety of students.

7.4 Termination By Manager. Manager may terminate on the following grounds:

- (a) Effective when a funding change goes into effect or a later date as designated by the Manager, if there is any material adverse change in local, State or federal funding for the School's students.
- (b) Effective immediately if the Company adopts or amends a policy, and the effect of such amendment or policy would reasonably be determined by Manager to materially increase the financial risk to Manager arising from its performance of its obligations hereunder, thus rendering Manager's performance economically unviable. In the event the Company adopts such an adverse policy in the middle of the school year, Manager agrees to use its best efforts to complete its obligations for the then-current school year without waiving any rights and remedies hereunder.
- (c) Effective immediately if (i) the School or Manager undergoes or is required to undergo an adverse change that makes the School or Manager financially unviable, or (ii) the Company makes a financial decision that is grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

7.5 Termination by Operation of Law. This Agreement shall terminate automatically if a State court determines that charter schools are not permitted in the State. Termination shall be effective at the end of the last day of the then-current school year, if such scenario is permitted by the court decision.

7.6 Real and Personal Property. Upon expiration or termination of this Agreement by either Party for any reason, all real and personal property leased by Manager to the School will remain the real and personal property of Manager, and any personal property purchased by Manager with the funds provided to Manager by the Company pursuant to Section 4.2 above will be the personal property of the School provided that the Company has fulfilled all repayment obligations in any startup Line of Credit Loan Agreement and Promissory Note between the Company and the lender thereunder. Notwithstanding the above, if any lease shall

contain a buy-out or purchase option, the Company shall have the right to exercise such option and purchase such equipment.

- 7.7 Effect of Termination. On the later of (a) five (5) Business Days after any termination or expiration of this Agreement by either Party for any reason, and (b) the effective date of termination as established in this ARTICLE VII, the School shall (i) assemble in a safe place all operational, systems and other administrative manuals and material, and copies thereof, and (ii) the president of the Company shall certify to Manager in writing that the School has ceased use of any proprietary materials relating to the Educational Program and has deleted the materials from all databases and storage media maintained by the School. At Manager's direction, the School will promptly permit representatives of Manager or its Affiliate to pick up all such materials at the School. Within twenty (20) Business Days after expiration or undisputed termination of this Agreement, Manager shall return to the Company all student educational records and all School-titled equipment and material (if any). Notwithstanding the foregoing, if the School closes for any reason, the Manager shall instead transmit the educational records of each student to said student's school district of residence. Manager's marketing obligations shall cease upon receipt of notice of termination.

## ARTICLE VIII. PROPRIETARY INFORMATION, OWNERSHIP AND LICENSE

- 8.1 Proprietary Information and Materials; Ownership. The Company acknowledges and agrees that Manager owns or has a license to use the intellectual property rights and interests in AMP, the curriculum, learning systems, assessment systems and pedantic methods licensed to or utilized by the School during the Term ("**Protected Materials**"). The Company acknowledges and agrees that, as between the Company and Manager, Manager (and its applicable Affiliates) owns and shall maintain all intellectual property rights, title and interest, including any goodwill, in and to Manager's and its Affiliate's trademarks, service marks, trade dress, and to the name "ACCEL™" (collectively, "Proprietary Marks"). The Company acknowledges and agrees that it has no intellectual property interest or claims in the Protected Materials or Proprietary Marks, and has no right to use the Protected Materials or Proprietary Marks, or any customizations and derivative works thereof unless expressly agreed to in writing by Manager.
- 8.2 Signage. In accordance with all laws and regulations and the terms of the Company's Facility lease, Manager shall have the right to install signs on the School facilities, including under the name of the School, describing the services provided by Manager or its assignees, including "Managed by ACCEL Schools" or "Educational Services Provided by ACCEL Schools." Upon any expiration or termination of this Agreement, those signs shall be promptly removed as provided for in the Facility lease.

- 8.3 License. The Manager developed and owns, or has a license to use, proprietary rights to the Protected Materials. The Manager hereby grants the School a limited, non-exclusive, non-assignable, revocable license to access and use the Protected Materials in connection with operating the School during the Term. When this Agreement is terminated or expires, the license granted herein shall automatically terminate and the School shall immediately cease using the Protected Materials. The School may not use the Protected Materials for any purpose other than strictly within the scope of the license granted in this Agreement without the prior written consent of the Manager.

## ARTICLE IX. INDEMNIFICATION AND LIMITATIONS OF LIABILITIES

- 9.1 Indemnification of Manager. To the extent permitted by law, the Company will indemnify, defend and save and hold Manager and its Affiliates and all of their Representatives harmless from and against third party claims, demands, suits, actions, fines, penalties, liabilities, losses, damages, or other forms of liability (any of which are a “**Claim**”) (including reasonable attorney’s fees and costs) that arise out of wrongdoing, misconduct or negligence by the Company or its Representatives; noncompliance by any of them with any agreements, covenants, or undertakings of the Company contained in or made pursuant to this Agreement; any misrepresentations of the Company contained in or made pursuant to this Agreement; any action or omission by the Company or its Representatives that results in injury, death or loss to person or property; and any violation by them of any applicable local, State or federal law, rule, or regulation. In addition, the Company will reimburse Manager, its Affiliates and their Representatives for reasonable legal expenses and costs associated with the defense of any third party Claim. The Parties acknowledge and agree that Manager and its Affiliates shall have no liability or responsibility for activities of the School that occurred prior to the Start Date. This indemnification obligation shall survive the termination or expiration of this Agreement. “**Representatives**” shall mean for the purposes of this ARTICLE IX to include employees, officers, directors, subcontractors, and agents of either party, respectively.
- 9.2 Indemnification of the Company. Manager will indemnify, defend and save and hold the Company and its Representatives harmless against third party Claims (including reasonable attorney’s fees and costs) that arise out of wrongdoing, misconduct, or negligence of Manager or its employees; noncompliance by any of them with any agreements, covenants, or undertakings of Manager contained in or made pursuant to this Agreement, any misrepresentation of the Manager contained in or made pursuant to this Agreement; any action or omission by the Manager or its employee that results in injury, death or loss to person or property; and any violation by them of State or federal law. In addition, Manager will reimburse the Company for reasonable legal expenses and costs associated with the defense of any third party Claim. This indemnification obligation shall survive the termination or expiration of this Agreement.

9.3 Defense. A person or entity seeking indemnification under this ARTICLE IX (the “**Indemnitee**”) shall give notice to the indemnifying Party (the “**Indemnitor**”) of a Claim or other circumstances likely to give rise to a request for indemnification, promptly after the Indemnitee becomes aware of the same. The Indemnitor, with Indemnitee consent, which shall not be unreasonably withheld, conditioned or delayed, shall be afforded the opportunity to undertake the defense of and to settle by compromise or otherwise any Claim for which indemnification is available under this ARTICLE IX. The Indemnitor’s selection of legal counsel is subject to the Indemnitee’s approval (which approval shall not be unreasonably withheld). If an Indemnitor so assumes the defense of any Claim, the Indemnitee may participate in such defense with legal counsel of the Indemnitee’s selection and at the expense of the Indemnitee. Indemnitor may not settle any Claim against Indemnitee or otherwise consent to any final order or judgement regarding same if the settlement, final order or judgement includes an admission of wrongdoing in Indemnitee’s or Affiliate’s name unless Indemnitee or Affiliate, as applicable, consents in writing. If the Indemnitor, upon the expiration of the fifteen (15) days after receipt of notice of a Claim by the Indemnitee, has not assumed the expense of the defense thereof, the Indemnitee may thereupon undertake the defense thereof on behalf of, and at the risk and expense of, the Indemnitor, with all reasonable costs and expenses of such defense to be paid by the Indemnitor.

9.4 Limitations of Liabilities.

- (a) Immunities and Statutory Limitations. The School will assert all immunities and statutory limitations of liability in connection with any third party Claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of Manager. Notwithstanding this ARTICLE IX, to the fullest extent permitted by law, the School will waive the defense of governmental immunity in any dispute between the Parties.
- (b) MAXIMUM OBLIGATIONS. EXCEPT AS TO AMOUNTS DUE UNDER ARTICLE IV ABOVE AND THE PARTIES’ INDEMNIFICATION OBLIGATIONS, TO THE EXTENT PERMITTED BY LAW EACH PARTY’S MAXIMUM LIABILITY AND OBLIGATION TO THE OTHER PARTY AND THE EXCLUSIVE REMEDY FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING NEGLIGENCE, RELATING TO THIS AGREEMENT SHALL BE LIMITED TO THE RECOVERY OF DAMAGES UP TO THE AMOUNT OF FEES PAID AND DUE UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE A CLAIM IS MADE. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING LIMITATION SHALL NOT LIMIT THE COMPANY’S OBLIGATION TO PAY MANAGER AMOUNTS DUE FOR PRODUCTS PROVIDED AND SERVICES RENDERED.
- (c) REASONABLENESS. NEITHER OCCASIONAL SHORT-TERM INTERRUPTIONS OF SERVICE OR PRODUCTS, WHICH ARE NOT UNREASONABLE UNDER COMPARABLE INDUSTRY STANDARDS NOR INTERRUPTIONS OF SERVICE OR PRODUCTS RESULTING FROM

EVENTS OR CIRCUMSTANCES BEYOND MANAGER'S OR ITS AFFILIATES' REASONABLE CONTROL SHALL BE CAUSE FOR ANY LIABILITY OR CLAIM AGAINST MANAGER OR ITS AFFILIATES, NOR SHALL ANY SUCH OCCASION RENDER MANAGER IN BREACH OF THIS AGREEMENT.

- 9.5 Right of Set-Off. Either Party may set off against any and all payments due the other Party under this Agreement, any amount to which the Party is entitled to be indemnified hereunder provided that there has been a final judicial determination thereof.

## **ARTICLE X. INSURANCE**

- 10.1 Insurance Coverage. The Manager will help the Company obtain, and the Company will maintain, the types of and limits on insurance policies necessary to operate the School as follows unless different types and/or higher requirements are set forth in the Charter Contract: commercial general liability in amounts no less than \$1 million per occurrence and \$2 million in the aggregate; excess or umbrella extending coverage as broad as primary commercial general liability coverage in an amount no less than \$3 million; automobile in the amount of \$1 million; directors and officers/school leaders, employment practices liability and errors and omission, in amounts no less than \$1 million per occurrence and \$1 million in the aggregate; and employers liability in an amount no less than \$1 million. All insurance policies shall (a) be issued by companies in good standing and authorized to do business in the State and having an AM Best rating of A or better, (b) be written in standard form, and (c) provide that the policies may not be canceled except after thirty (30) days' written notice to the Manager and Authorizer. Upon Manager's request, the Company shall deliver to the Manager a copy of such policies.
- 10.2 Workers' Compensation Insurance. Each Party will maintain workers' compensation insurance as required by law, covering its respective employees.
- 10.3 Cooperation. Each Party will, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this ARTICLE X. Each Party will comply with any information or reporting requirements applicable to or required by the other Party's insurer(s), to the extent reasonably practicable.

## **ARTICLE XI. REPRESENTATIONS AND WARRANTIES**

- 11.1 Representations and Warranties of Manager. Manager hereby represents and warrants to the Company:
- (a) Manager is a duly formed limited liability company in good standing and is authorized to conduct business in the State.

- (b) To the best of its knowledge, Manager has the authority under applicable laws and regulations to execute, deliver, and perform this Agreement, and to incur the obligations provided for under this Agreement.
- (c) Manager's actions under this Agreement have been and will be duly and validly authorized, and it will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement.
- (d) The services to be performed under this Agreement will be performed in a professional and workerlike manner in accordance with commercially reasonable industry standards, applicable law, the Charter Contract, and applicable Company policies made known to Manager in writing and relating to the School. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AS TO THE GRADES OR TEST RESULTS TO BE OBTAINED BY THE STUDENTS. WITHOUT LIMITING THE FOREGOING, MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AND SHALL NOT BE LIABLE FOR NON-ACCESSIBILITY OF ANY WEBSITE, SYSTEM OR PROGRAM, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS, REGARDLESS OF THE REASON.

11.2 Representations, Warranties, and Covenants of the School. The Company hereby represents, warrants, and covenants to Manager:

- (a) The Charter Contract (i) authorizes the Company to operate and receive State, federal and local education funds, as well as other revenues; (ii) approves the Educational Program and other activities contemplated in this Agreement; and (iii) vests the Company with all powers necessary and desirable for carrying out the Educational Program and other activities contemplated in this Agreement.
- (b) The Company has the authority under applicable laws and regulations to contract with a private entity to perform the Educational Services, Administrative Services, Technology Consulting Services, Supplemental Programs, and all other services under this Agreement and execute, deliver and perform this Agreement, and to incur the obligations provided for under this Agreement.
- (c) The Company's actions have been duly and validly authorized, and the Company will adopt any and all further resolutions or expenditure approvals required for execution of this Agreement; provided, however, that with regard to expenditures, such resolutions and approvals shall be required only if the relevant information is available to the Company.
- (d) The Company is not in breach of and has not defaulted under the terms of the Charter Contract, and there does not exist any state of fact which, with notice or lapse of time or both, would constitute an event of breach or default on the part of the Company under the Charter Contract.
- (e) After the Effective Date, the Company shall not incur any indebtedness outside the ordinary course of business or enter into any factoring or other debt arrangements without the prior written consent of the Manager, which consent shall not be unreasonably withheld, conditioned or delayed.

- 11.3 Mutual Warranties. Each Party to the Agreement warrants to the other that there are no pending actions, claims, suits or proceedings, 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. Each Party to the Agreement recognizes that laws governing the operation of charter schools in the State are currently being challenged in State courts and that if such challenge is sustained, it could have a possible adverse effect on this Agreement. Each Party to the Agreement warrants to the other that the signatories to this Agreement are authorized to act on behalf of that Party.

## ARTICLE XII. CONFIDENTIALITY AND NON-DISCLOSURE

- 12.1 Confidential Information. Without the prior written consent of the other Party, neither Party will at any time: (a) use for its own benefit or purposes or for the benefit or purposes of any other person, corporation or business organization, entity or enterprise, or (b) disclose in any manner to any person, corporation or business organization, entity or enterprise any trade secret, proprietary information, data, know-how or knowledge (including but not limited to curricula information, financial information, marketing information, cost information, vendor information, research, marketing plans, educational concepts and employee information), whether transferred in writing or other tangible form, or transferred orally, visually, electronically or by any other means, belonging to, or relating to the affairs of a Party or any of its Affiliates (the “**Disclosing Party**”) or received through association with the Disclosing Party (collectively, “**Confidential Information**”), whether the Confidential Information was received by the Receiving Party before or after the commencement of this Agreement. Confidential Information does not include information a Party receives (the “**Receiving Party**”) and can show that it: (i) was known to the Receiving Party prior to its association with the Disclosing Party; (ii) had become available to the public other than by a breach of this Agreement by the Receiving Party; or (iii) was disclosed to the Receiving Party by a third person or entity that was not prohibited by a contractual, fiduciary or other legal obligation to the Disclosing Party from disclosing the Confidential Information.
- 12.2 Care and Authorized Use. Each Party will use at least the same degree of care to prevent unauthorized use and disclosure of Confidential Information as that Party uses with respect to its own confidential information (but in no event less than a reasonable degree of care); use Confidential Information only in performance of its obligations under this Agreement; and not disclose or grant access to such Confidential Information to any third party except on a need-to-know basis and based on a confidentiality agreement with terms at least as strict as those contained in this Agreement. This Agreement does not prohibit any Party from disclosing Confidential Information it is legally compelled to disclose by oral

questions, interrogatories, requests for information or documents, subpoenas, investigative demands, judicial orders or similar process. However, if the Receiving Party is legally compelled to disclose any Confidential Information, the Receiving Party covenants to use its best efforts to provide the Disclosing Party with prompt written notice (not more than forty-eight (48) hours after learning it will be compelled to disclose) so the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If a protective order or other remedy is not obtained, or the Disclosing Party waives compliance with the provisions of this Agreement, the Receiving Party covenants to furnish only that portion of the Confidential Information the Receiving Party is legally required to disclose, and to exercise its best efforts to obtain reliable assurance that the Confidential Information will be treated confidentially.

Manager understands that the Company is subject to the State Freedom of Information Act ("**FOIA**"). Any disclosure in compliance with FOIA is not a violation of this paragraph 12.2.

- 12.3 Survival. This ARTICLE 12 shall survive any expiration or termination of this Agreement.

### **ARTICLE XIII MISCELLANEOUS**

- 13.1 Integration, Sole Agreement, and Third Party Beneficiaries. This Agreement (together with any exhibits, price lists, schedules or documents referred to herein) is the entire agreement between the Parties, sets forth all of the promises, covenants, agreements, conditions and undertakings of the Parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written, if any, between the Parties with respect to the subject matter hereof. Any conflict between the terms of the Charter Contract and this Agreement shall be resolved in favor of the Charter Contract. Except as limited by Section 13.7 (Assignment) below, this Agreement shall be binding upon and is for the exclusive benefit of the Parties, and their respective Affiliates, successors and permitted assigns, and not for the benefit of any third party, nor shall it be deemed to confer or have conferred any rights, express or implied, upon any other third party including a relationship in the nature of a third party beneficiary or fiduciary.
- 13.2 Force Majeure. In the event that either Party is delayed, hindered, or prevented from performing any act required under this Agreement by reason of fire or other casualty, acts of God, pandemic, strike, lockout, labor dispute, inability to procure services or materials, failure of power, riots, terrorism, insurrection, war or other reason of like nature not the fault of the delayed Party, its performance shall be excused for the period of the delay and the time for performance shall be

extended for a period equivalent to the period of the delay. This Section shall not excuse School from prompt payment of any amounts required by the terms of this Agreement. As soon as practicable, the Party experiencing a force majeure event shall: (a) notify the other Party about the event, and (b) resume performance of its obligations under this Agreement upon conclusion of the event.

- 13.3 Governing Law, Jurisdiction and Waiver of Jury Trial. The laws of the state of West Virginia, without regard to conflict of law principles, will govern this Agreement, its construction, and the determination of any rights, duties and remedies of the Parties arising out of or relating to this Agreement. Jurisdiction and venue are proper in the county in which the School is located. The Parties each waive any right to trial by jury in any litigation involving this Agreement, including breach, interpretation or performance thereof.
- 13.4 Construction. The Parties acknowledge and agree that this Agreement is the result of extensive arms-length negotiations between the Parties and their respective counsel, and that this Agreement shall not be construed against either Party by virtue of its role or its counsel's role in the drafting hereof. Paragraph captions or headings of various articles, sections and other subdivisions are used herein for convenience of reference only and are not intended to be used, nor shall they be used, in interpreting this instrument or modifying, defining or limiting any of the terms or provisions hereof.
- 13.5 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but both of which will constitute one and the same instrument. Each Party may rely on facsimile signature pages as if such facsimile pages were originals.
- 13.6 Notices. Either Party may change the address to which notice to it, or copies thereof, shall be addressed by giving notice to the other Party hereto in conformity with the following. All notices and other communications permitted or required by the terms of this Agreement shall be in writing and sent via any of the following methods to the Parties hereto at the addresses set forth below. Notice shall be deemed given: (a) upon receipt if sent by certified or registered mail, postage prepaid, return receipt requested, (b) upon delivery if sent by personal delivery (with written confirmation of delivery), or (c) upon delivery if by sent by nationally recognized overnight carrier (with written confirmation of delivery). The addresses of the Parties are:

**To:**

Clarksburg Classical Academy  
Attn: Board President  
1626 W. Pike Street  
Clarksburg, WV 26301

**With a copy to:**

Jonathon McGee  
The Callender Law Group  
100 East Broad Street, Suite 1700  
Columbus, OH 43215

**To:**

Accel Schools LLC  
Attn: Chief Operating Officer  
1750 Tysons Boulevard, Suite 1300  
McLean, VA 22102

And legal@pansophiclearning.com

**With a copy to:**

Pansophic Learning US LLC  
Attn: General Counsel  
1750 Tysons Boulevard, Suite 1300  
McLean, VA 22102

- 13.7 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, Manager may, without prior written consent from or notice to the Company, assign this Agreement to its Affiliates or in connection with a merger, acquisition, asset sale or corporate reorganization and may without the consent of the Company, delegate the performance of, but not responsibility for, any duties and obligations of Manager hereunder to any Affiliate, independent contractors, experts or professional advisors.
- 13.8 Amendment and Cumulative Effect. This Agreement will not be altered, amended, modified or supplemented except in a written document approved by the Company and signed by the Board president or other authorized officer of the Company and an authorized officer of Manager. The rights and remedies of the Parties hereto are cumulative and not exclusive of the rights and remedies that they otherwise might have now or hereafter, at law, in equity, by statute or otherwise.
- 13.9 Waiver and Delay. Except to the extent that a Party hereto may have otherwise agreed in writing, no waiver by that Party of any condition of this Agreement or breach by the other Party of any condition of this Agreement or breach by the other Party of any of its obligations or representations hereunder or thereunder shall be deemed to be a waiver of any other condition or subsequent or prior breach of the same or any other obligation or representation by the other Party, nor shall any forbearance by a Party to seek a remedy for any noncompliance or breach by the other Party be deemed to be a waiver by the first Party of its rights and remedies with respect to such noncompliance or breach.

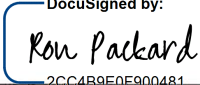
- 13.10 Severability. If any term, condition or provision of this Agreement is invalid, illegal or incapable of being enforced by any court decision, any rule of law, or any public policy, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon determination that any term, condition or provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the extent that the transactions contemplated hereby are fulfilled to the extent possible.
- 13.11 Assertion of Claims. No Party shall bring any claim relating to this Agreement beyond one year after the date on which the Party became aware, or should reasonably have become aware, of the facts giving rise to any alleged liability of the other Party and, in any event, no later than two (2) years after (a) the last day of the Term, or (b) the earlier termination of this Agreement for any reason. The provisions of the preceding sentence shall not apply to claims for payment of amounts due under the "Consideration" Sections of this Agreement or loans.
- 13.12 Injunctive Relief and Dispute Resolution.
- (a) Injunctive Relief. The School acknowledges that the covenants set forth in Sections "Non-Solicitation/Non-Hiring", "Proprietary Information and Ownership", "License", and "Confidentiality and Non-Disclosure" above are reasonable in scope and content and necessary to protect the Manager, its Affiliates and their business interests. The Company understands and agrees that the breach or threatened breach of Sections "Non-Solicitation/Non-Hiring", "Proprietary Information and Ownership", "License", and "Confidentiality and Non-Disclosure" of this Agreement would give rise to the aggrieved Party suffering irreparable harm which would be inadequately compensable in money damages. Accordingly, in addition to any other remedies available to it, the aggrieved Party shall be entitled to a restraining order and/or an injunction prohibiting the breach or threatened breach of any provision, requirement or covenant of this Agreement, without the requirement of posting a bond, in addition to and not in limitation of any other legal remedies which may be available.
  - (b) Dispute Resolution Procedure. The Parties agree that they will attempt in good faith to settle any and all disputes arising in connection with this Agreement amicably in the ordinary course of business. If a dispute is not resolved in the ordinary course of business, the aggrieved Party will submit its dispute in writing to the Board's president and Manager's Chief Operating Officer or equivalent who shall have ten (10) Business Days to seek resolution of the matter. The dispute resolution procedures described herein will be deemed complete upon the earlier to occur of the following:
    - (i) the Parties mutually agree in writing to discontinue the dispute resolution procedures herein; and
    - (ii) the relevant dispute is not resolved within the time periods provided herein.

- (c) Arbitration. Subject to the provisions of Sections 13.12(a) and 13.12(d), any dispute arising out of or relating to this Agreement, including but not limited to the breach, termination or validity hereof, shall be settled by confidential, binding arbitration in accordance with the rules of JAMS (Judicial Arbitration and Mediation Services, Inc. <https://www.jamsadr.com>) before a single arbitrator. The need for and scope of formal discovery will be determined by agreement of the Parties or, if the Parties are unable to agree, the arbitrator. The arbitrator will render an opinion/award within thirty (30) days from the date of the hearing, and the opinion/award shall be written and include findings of fact and conclusions of law. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitrator is not empowered to award any damages or losses prohibited in the "Limitations of Liability" Section and each Party expressly waives and foregoes any right to the damages or losses.
  - (d) Exceptions. Notwithstanding anything else in this Agreement, claims for monies due and claims for injunctive relief as provided for in Section 13.12(a) above, and/or claims for grant or financial assistance reimbursement due may at either Party's option be brought separately and immediately in a court of competent jurisdiction as set forth in Section 13.3 above or pursued through arbitration as set forth above.
  - (e) Fees and Expenses. In the event of arbitration or litigation relating to the subject matter of this Agreement, each party is responsible for its own attorneys' fees and costs. The cost of arbitration shall be split equally.
  - (f) Early Termination Fee. Notwithstanding any provisions in this Agreement to the contrary, if a judge or arbitrator determines the Company terminated this Agreement absent uncured breach by Manager, for each remaining year and portion thereof of the Term Company shall pay to Manager a fee in the amount of twenty-five percent (25%) of the average billed amount of Management Fee during the one year prior to Company providing Manager with notice of termination.
- 13.13 Survival on Termination or Expiration. The following Articles and Sections shall survive termination or expiration of this Agreement: Consideration and Supplemental Programs (to the extent they relate to amounts owing for periods through the expiration or termination of this Agreement); Non-Solicitation/Non-Hiring; Termination of Agreement (to the extent they relate to obligations after expiration and termination); Proprietary Information, Ownership and License; Indemnification and Limitations of Liabilities; Confidentiality and Non-Disclosure; Interpretation, Sole Agreement and Third Party Beneficiaries; Governing Law, Jurisdiction and Waiver of Jury Trial; Construction; Counterparts; Notices; Assignment; Amendment and Cumulative Effect; Waiver and Delay; Severability; Assertion of Claims; Injunctive Relief and Dispute Resolution; Survival on Termination or Expiration; payment obligations and any provision that, based on its nature, should survive.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the undersigned have executed this Agreement as of the date and year first above written.

**Accel Schools East LLC**

By:   
2CC4B9E0E900481  
Name: Ron Packard  
Title: CEO and founder

**Clarksburg Classical Academy, Inc.**


By:   
Christopher Walker (May 28, 2024 09:03 EDT)  
Name: Christopher Walker  
Title: President

Exhibit A

AMP Price List

Pricing & Invoicing for AMP Platform	Total Fee per Student	Upfront Fee per Student	Monthly Fee per Student
	<u>(Annual)</u>	<u>(One-time per year)</u>	<u>(10 months maximum)</u>
	-	-	-
<b>B&amp;M</b>	-	-	-
Standard	\$180	\$99	\$8.10
Plus	\$225	\$99	\$12.60
Premium	\$355	\$99	\$25.60

## **Exhibit B**

### **Human Resources Administration and Payroll Management Services**

#### **Human Resources Administration**

- New Employee Hiring Process
  - Provide guidance and training on appropriate hiring processes
  - Assist with setting up background checks in compliance with state law
  - Assist in developing new employee files that contain all of the paperwork necessary to process new hires, such as a new employee checklist, employment contract/offer letter, employment application, direct deposit authorization, employee timesheet, I-9, W-4, safety handbook, etc.
- Employee Handbook & Job Description
  - Development, implementation, & maintenance of an Employee Handbook that accurately reflects your company's policy & practices
  - Assist in the presentation of new policies to your staff, train them where necessary, & help answer their questions
  - Assist in drafting customized job descriptions, primary job duties, collateral duties, skill requirements, etc.
- Employees' Training & Development
  - Develop training programs for employees who require formal training to comply with Occupational Safety & Health Administration (OSHA), Food & Drug Administration (ADA), &/or Environmental Protection Agency (EPA) regulations
  - Maintain training records & verify that the employee understands the material & is competent in the training provided
- Workplace Safety Training
  - Host safety training programs and workshops for employees, supervisors, managers, & owners to help lower work-related injuries
  - Provide OSHA compliance training, as needed
- Workers' Compensation Administration
  - Work with the School to select workers compensation carrier
- Benefit Administration (Manager contracts with the following third party service providers: isolved Benefit Services for Cobra administration and BenXpress for benefits administration)

- Distribute materials for benefit orientations, open enrollment & summary plan descriptions
  - Conduct presentations when necessary
  - Employee benefit enrollment meetings & plan implementation
  - Provide training and assistance with employee questions & claims processing
  - Maintenance of employee benefit records
  - Billing reconciliation & vendor liaison
  - Provide regular benefit reports
  - Forecast trends & assist with future benefit designs; develop specific recommendations for review by management
- Leave Administration
  - Review, educate, & provide guidance to staff regarding current Federal Family & Medical Leave Act (FMLA)
  - Provide required leave paperwork to employees
  - Maintenance of leave records
  - Prepare appropriate documentation & correspondence for all leave of absence requests with government timelines
  - Analyze leave paperwork & supporting medical documentation
  - Act as the liaison with employees & managers to ensure that questions, concerns, changes/updates for leave are communicated accordingly
  - Maintain and follow all changes to Federal regulations pertaining to the Family & Medical Leave Act
- Performance Appraisals, Discipline, & Terminations
  - Provide expert advice in HR & employee relations issues, how & when to conduct discipline, protecting at-will status
  - Assist in developing progressive discipline policies, conducting probationary reviews, annual performance appraisals, disciplinary meetings or terminations
  - Assist in developing required documentation, severance, separation agreements, etc.
- Credentialing Criteria Review
  - Define those employees that require credentialing & re-credentialing
  - Describe and explain the general credentialing process to employees where necessary
  - Initial check and periodic recheck of credentials per company policy
  - Perform annual & periodical review & audit
- Review & Maintenance of Personnel Files
  - Ensure confidentiality of personnel information

- Maintenance of personnel records
- I-9 management
- Medical/benefits enrollment (Vendor)
- Payroll history (Vendor)
- Workers' compensation & OSHA history (Vendor)

### **Payroll Management**

- Payroll
  - Clarksburg Classical Academy employees shall be paid bi-weekly via direct deposit. If preferred by the Clarksburg Classical Academy employee, Contractor can also prepare manual paychecks. Employees shall submit their hours via Contractor's employee timekeeping system; hours shall be approved online by their supervisor. Employees who are paid bi-weekly must submit their hours by Monday at 10 am (PST) following the two-week work cycle. Payroll is approved by Wednesday following the Monday payroll submission, and employees are paid that Friday, unless that Friday is a bank holiday, in which case employees are paid the day before (Thursday).
- Onboarding
  - Ensuring completion of paperwork, such as all onboarding documents and the W-4
  - Background checks in compliance with state law
  - Drug testing (if required)
  - Reference checks, if requested
  - I-9 processing and verification
  - New hire reporting
  - School/Employee service calls
- Adherence to Compliance Requirements
  - Worker's compensation
  - Timecards
  - Filing taxes (quarterly and yearly)
  - Data security
  - Reporting
  - HR issues

## **Exhibit C**

### **Human Resources Consulting Services**

Consulting services on the following topics:

- Recruiting
  - o Staffing strategies including recruiting sources and applicant tracking system solutions
- Offer Letters
  - o Template development based on compliance with state and federal laws
- Performance Management
  - o Handbook and policy guidance
  - o Coaching and counseling
- Compensation Management
  - o Pay band development
  - o Monitoring of regulatory changes
- Benefits
  - o RFP guidance
  - o Benefits design
  - o Monitoring of regulatory changes
- Payroll Management
  - o Pay schedule and policy guidance
  - o RFP guidance



