

Exhibit I.G.

Management Agreement

**FIRST AMENDMENT TO
MANAGEMENT AGREEMENT**

THIS FIRST AMENDMENT TO MANAGEMENT AGREEMENT (the "Amendment") is made this 15 day of October 2013, by and between STA Lincoln Park, LLC, a Nevada limited liability company (the "Operator"), and Lincoln Park Academy, Inc., an Ohio nonprofit corporation ("Corporation").

WITNESSETH:

WHEREAS, Operator and Corporation are parties to a Management Agreement dated July 1, 2013 (the "Management Agreement");

WHEREAS, the Ohio Revised Code permits Corporation to accept responsibility for providing or arranging transportation of its local school district's native students to and from the community school;

WHEREAS, if mutually agreed by both Operator and Corporation, Operator is willing to arrange or coordinate such transportation services pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and intending to be legally bound, the parties hereto agree as follows:

1. Incorporation by Reference. The preamble to this Amendment is incorporated by reference as if fully set forth herein.

2. Amendment to Section 3(f) of the Management Agreement. Section 3(f) of the Management Agreement is hereby amended, in its entirety, to read as follows:

"(iv) Coordinate transportation for students to the School Facility. If mutually agreed by both Operator and Corporation, Operator may provide or arrange transportation for students enrolled in the School. Said transportation shall be funded using only funds provided to the Corporation for that purpose. Under no circumstances shall Operator be required to use any part of the Continuing Fee to provide or arrange for transportation services."

3. Amendment to Section 7(d) of the Management Agreement. Section 7(d) of the Management Agreement is amended, in its entirety, to read as follows:

"(d) The Board shall cooperate with the Operator to set up and establish necessary accounts and procedures for grant funding. Any transportation funding received by the Board shall be considered grant funding under Section 7(c). This Section shall survive any expiration or termination of this Agreement until all payments earned prior to the date of such expiration or termination shall have been paid in full."

4. All Other Terms and Conditions. All terms and conditions of the Management Agreement not specifically amended or modified herein shall remain in full force and effect. All capitalized terms contained herein shall have the meanings attributed to them in the Management Agreement, unless specifically otherwise defined herein.

IN WITNESS WHEREOF, the parties hereto have entered into this Amendment as of the date first set forth above.

OPERATOR:

SCHOOL:

STA LINCOLN PARK, LLC


LINCOLN PARK ACADEMY, INC.

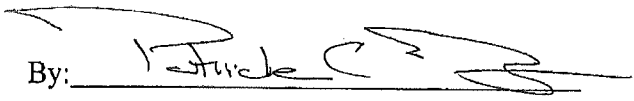
By:

Its:

By:

Its:


CEO


Board President

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT ("Agreement") is entered into effective this ___ day of July 1, 2013, 2013, between STA Lincoln Park, LLC, a Nevada limited liability company (the "Operator"), and Lincoln Park Academy, Inc., an Ohio nonprofit corporation (the "Corporation"), which is governed by its Board of Directors (the "Governing Authority").

WITNESSETH:

WHEREAS, the Corporation is organized as an Ohio nonprofit corporation under Chapter 1702 of the Ohio Revised Code and the Corporation has entered into a Community School Contract dated May 15, 2013 (the "School Contract") with Buckeye Community Hope Foundation (the "Sponsor"), pursuant to which the Corporation is authorized to operate a community school under Chapter 3314 of the Ohio Revised Code (the "School");

WHEREAS, the Operator has developed an educational model to manage and operate a unique group of schools called the "Academies." As more fully described in Exhibit A attached hereto and incorporated herein by reference, the Operator provides said schools with a complete curriculum (together with any future improvements, alterations or refinements thereto, the "Model"), and provides management services and the Model to community or charter schools throughout the State of Ohio and in other states, including educational, managerial, financial and other consulting services;

WHEREAS, the Corporation desires the Operator to provide the Model and the management, educational, financial, technology and other consulting services necessary to operate a community school in accordance with the School Contract; and

WHEREAS, the Operator desires to operate the School as described below.

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

1. Term. This Agreement shall have an initial term of two (2) years, commencing on July 1, 2013, and expiring on June 30, 2015, unless terminated before the expiration date as provided for herein. Thereafter, this Agreement shall automatically renew for two successive five (5) year terms unless one Party notifies the other Party not less than six (6) months prior to the expiration of the then current term of its intention not to renew this Agreement. Non-renewal of this Agreement may be for any reason or no reason. In the event that the School Contract is terminated or not renewed for any reason and no similar contract is obtained from the Sponsor or another authorized sponsor, this Agreement shall terminate at the completion of the then-current school year.

2. The School Contract. The Corporation shall be responsible for its own corporate governance and operation in accordance with applicable law. To assist the Corporation in carrying out the terms of the School Contract, the Corporation contracts with the Operator to

provide the Model and any and all functions, equipment, technology, supplies, facilities, services and labor necessary to the operate the School.

In providing services required by this Agreement, the Operator must observe and comply with all applicable federal, state and local law, and the Corporation must qualify as a "public benefit corporation" as defined in Section 1702.01(P) of the Ohio Revised Code. The Operator shall be accountable to the Governing Authority for the administration, operation and performance of the School in accordance with the School Contract, except that the Corporation shall be responsible for its own accounting, financial reporting and audit functions performed by its designated fiscal officer hired by the Corporation at its own expense. If the Corporation appoints an employee of the Operator or one of its affiliates as its designated fiscal officer, the Operator shall provide the services of said employee for such accounting, financial reporting and audit functions for no additional cost or fee. Except for the foregoing, the Operator disclaims any intent to act as fiduciary for the Corporation and shall have no authority the bind the Corporation in the absence of a specific authorization or ratification by action of the Corporation's Governing Authority. The Corporation shall not amend the School Contract during the term of this Agreement in a manner that materially affects the responsibilities and obligations of the Operator and the Corporation without the Operator's prior written approval. The foregoing notwithstanding, the Corporation may amend the School Contract to reflect changes required by applicable law provided that if any such amendment results in additional cost to the Operator the Parties may renegotiate terms of this Agreement to account for such changes and if the Parties cannot reach mutually agreeable terms, the Operator shall have the right to terminate this Agreement.

3. **Management Services.** The Corporation contracts with the Operator, to the extent permitted by law, to provide the functions outlined below, related to operating the School:

(a) **Academic Progress Reporting.** The Operator shall report academic progress annually to the Governing Authority, consistent with the provisions of the School Contract, and provide regular updates at Governing Authority meetings if so requested by the Governing Authority.

(b) **Curriculum Development.**

(i) The Operator shall provide the Model to the School, ensure that the Model is aligned with the School Contract and applicable law, and continuously monitor and assess the implementation of the Model at the School.

(ii) The Operator shall provide the Ohio Department of Education with such reporting as is necessary to participate in its school accountability system. From time to time, the Operator shall redefine, modify and/or replace the Model and/or testing procedures as it deems necessary but with prior notification and consent of the Board

(iii) The Operator shall annually identify its gifted education and special education plans to the Governing Authority consistent with the provisions of the School Contract and shall report to the Governing Authority at regular

meetings and seek the Governing Authority's approval of any material changes or modifications to the programs.

(c) Professional Development for School Administrators and Teachers.

(i) The Operator shall establish and maintain on a continuous basis teacher development programs to define teacher qualifications and performance requirements as the Operator deems appropriate. The Operator shall implement a professional development program to improve the effectiveness of each teacher's ability to help students' learning, in general.

(ii) The Operator shall provide such ongoing teacher training with respect to technology, curriculum, and program as is reasonably necessary to deliver the Model.

(iii) The Operator shall provide such on-going non-instructional personnel training with respect to technology, curriculum, and program as is reasonably necessary to deliver the Model..

(d) School Facility and Facility Management.

(i) The Operator will provide a facility for the School. The Operator intends for the School to initially be located at 3181 W. 41st Street, Cleveland, OH 44109 or such other facility as shall be selected by the Operator and approved by the Governing Authority ("School Facility"). During the term of this Agreement, the School Facility shall be used only to carry out the terms and conditions of the School Contract, or for educational purposes not inconsistent with the School Contract. The School Facility may be used by the Operator and the Operator Affiliates for other uses that do not violate the School Contract, do not conflict with applicable laws, and do not conflict or interfere with the operation of the School or the safety and security of the School and its students. Nothing herein shall grant the Corporation any rights to the facility as subtenant, licensee, or otherwise and the Corporation specifically disclaims any such interest.

(ii) The Operator shall be responsible for maintenance, custodial and security services for the School Facility.

(iii) The Operator shall be responsible for making reasonable improvements to the School Facility as needed for the School's operation, and the safety, health and welfare of the School's students. All upkeep and improvements shall be made in accordance with applicable law and reasonable Sponsor mandates. All improvements shall be made in a timely and reasonable manner. Any improvements funded through grant or other financial assistance shall be titled to the Corporation provided that any such improvements which are real property or fixtures shall become property of the owner of the School Facility upon expiration or termination of the applicable lease for the School Facility.

(iv) Upon the recommendation of the Operator and subject to approval by the Governing Authority, which approval shall not be unreasonably withheld, the Operator may increase or decrease the size of the School Facility or move the School Facility to another location by leasing or purchasing a suitable facility for the School's operations as defined by state and federal law and in compliance with the School Contract.

(v) In the event the School Facility or any portion thereof is determined to be or becomes unsafe or otherwise unsuitable for the School's operations to the extent that use thereof must cease immediately, the Operator may relocate some or all of the School operations to another suitable location on a temporary or permanent basis without first obtaining the Governing Authority's approval under (iv) above. The Operator shall notify the Governing Authority and the Sponsor immediately in the event of any such relocation and shall, in a timely fashion, provide the Governing Authority and the Sponsor with reasonable proof that the alternate location is a suitable facility for the School's operations as defined in the School Contract.

(vi) The Operator shall report to the Governing Authority on any changes to the School Facility, such as location, physical facility layout or capital improvements.

(e) Equipment, Technology, and Operational Support Services.

(i) The Corporation shall make available to the Operator for continued use in the operation of the School all furniture, technology, technical infrastructure, hardware and software, equipment, and other personal property owned or acquired by the Corporation for use in the School. The Operator shall purchase or lease any additional furniture, technology, equipment, or other personal property necessary for the operation of the School and provision of the Model.

(ii) The Operator is solely responsible for designing, selecting, coordinating the purchase of, implementing, and managing technology used by the School, irrespective of the source of funding. Unless provided otherwise herein, all personal property shall be owned and purchased by and for the Operator's own account and not on behalf of the Corporation. If the Operator purchases equipment on behalf of the Corporation using funding specifically provided by the Corporation pursuant to Section 7(e)(ii) of this Agreement, the equipment will be titled in the name of the Corporation and owned by the Corporation. However, in no event shall any of the Continuing Fee or any operational grant funds be used for the purchase of Corporation-titled equipment. All other personal property shall be purchased and owned by the Operator. Equipment and other property of the School may be disposed of in accordance

with generally applicable law and only after reporting of such scheduled disposal to the Governing Authority.

(iii) The Operator shall purchase or lease all equipment used in the School, and shall maintain the equipment in proper working order. The Operator may sell, scrap or dispose of its personal property after determining in its sole discretion that the property is obsolete, unneeded, excessive, broken, or inoperable.

(iv) The Operator shall determine the suitability of technology for use in the School.

(v) The Operator shall train staff and teachers in the use of any technology used in operating the School, including procedures, forms, and systems.

(vi) The Operator shall provide to the Governing Authority, as requested, access to the Operator's supply sources (including supply sources of affiliates of the Operator) to obtain centralized purchasing discounts for the School where applicable.

(f) **Management and Management Consulting.** It is the responsibility of the Operator to perform as follows:

(i) Perform day-to-day management of the School in accordance with the School Contract.

(ii) Provide the Model, curriculum, and program development as described in this Agreement and the School Contract.

(iii) Perform other consulting and liaison services with governmental and quasi-governmental offices and agencies as are necessary in day-to-day operations of the School or as required by the School Contract.

If the Corporation appoints an employee of the Operator or one of its affiliates as its designated fiscal officer, the Operator shall provide the services of said employee for such accounting, financial reporting and audit functions as part of the Continuing for no additional cost or fee. If the Operator does not provide the services of a fiscal officer as qualified pursuant to applicable law, the Parties shall negotiate a reasonable and mutually agreed change to the Continuing Fee to account for such additional expense which will necessarily be incurred by the Corporation.

(iv) Coordinate transportation for students to the School Facility.

(v) Advise the Governing Authority regarding special education and special needs students, programs, processes and reimbursements through the Operator's Special Education Department.

(vi) Collate all data, information, and testing analysis required by law or otherwise deemed necessary or useful by the Operator and provide the same to the Sponsor to the extent required by the School Contract.

(vi) From time to time and as deemed necessary by the Operator, draft operations manuals, forms (including teacher contracts, applications, enrollment and similar forms), and management procedures.

(g) **Student Recruitment.** The Operator shall recruit and enroll students subject to its recruitment and admission policies. Students shall be recruited and selected in accordance with the procedures in the School Contract and in compliance with all applicable federal, state and local laws.

(h) **Rules and Procedures.** The Operator shall adopt, implement, and enforce reasonable rules, regulations, and procedures applicable to the School. The Governing Authority shall adopt and implement reasonable rules, regulations, and procedures for the Corporation's internal governance. Neither Party may unilaterally adopt or impose any rule, regulation or procedure, and/or amend or supplement the School Contract or this Agreement without the approval by the other Party, which approval may be withheld by the other Party in its sole discretion.

(i) **Authority.** The Operator shall have the authority and power necessary to undertake its responsibilities described in this Agreement.

(j) **Subcontractors.** The Operator reserves the right to subcontract services to be provided hereunder without the Board's approval; provided however that Board approval shall be required in the event the aggregate annual cost of any individual service exceeds 50% of the Continuing Fee. The Operator shall be solely responsible for all costs, expenses and fees associated with all of Operator's subcontractors.

4. Purchases with Corporation Funds. Any property purchased by the Operator on behalf of the Corporation with the Corporation's funds, including curriculum materials, books and supplies, and equipment purchased with grant and/or other financial assistance received by the Corporation, is the property of the Corporation as long as the Corporation reimburses the Operator for the purchase of the property or equipment. In no event shall any of the Continuing Fee, any separate funds belonging to the Operator, or any operational grant funds be used for the purchase of Corporation-titled equipment. The Operator shall permanently mark or tag with a number any property owned by the Corporation in accordance with School policy and keep an inventory of said property.

5. Insurance and School Responsibilities.

(a) **The Operator.** The Operator shall maintain at its expense commercial general liability insurance and other insurance required by the School Contract, except for directors' and officers' insurance for the Governing Authority, which shall be maintained by the Corporation at its expense. The limits of the Operator's primary and umbrella insurance policies shall at all times meet or exceed the requirements set forth in the School Contract. The Operator's policies shall name the Corporation and the other parties mentioned in the School Contract as insureds, or as additional insureds. A certificate of insurance evidencing such coverage shall be provided upon reasonable request. All insurance policies shall be issued by responsible companies of recognized standing authorized to do business in the State, shall be written in standard form, and shall provide that the policies may not be canceled except after (30) days' written notice to the Corporation and Sponsor. Upon the Corporation's request, the Operator shall deliver to the Corporation a copy of such policies and other written confirmation acceptable to the Corporation, together with evidence that the insurance premiums have been paid.

(b) **The Corporation.** The Corporation shall pay for its directors' and officers' insurance, legal fees for its representation, legal fees for general corporate matters, accounting, audit, tax and consulting fees for the School, and other expenses approved by the Governing Authority.

6. **Budget.**

(a) **Projected Budget.** The Corporation's fiscal officer shall provide the Governing Authority with an annual projected Budget for the Corporation (the "Budget"), which shall be submitted to the Governing Authority prior to the June 30th immediately preceding the next academic year.

(b) **Budget Detail.** The Budget shall contain detail as required for public auditing purposes.

(c) **Approval.** The Budget shall be prepared by the Corporation's fiscal officer and submitted to the Governing Authority for approval, which approval shall not be unreasonably withheld or delayed. The Budget may be amended from time to time at the recommendation of the fiscal officer and with the Governing Authority's approval, which approval shall not be unreasonably withheld or denied.

7. **Fees.**

(a) **Continuing Fee.** The Corporation shall pay a monthly management, consulting and operation fee (the "Continuing Fee") to the Operator of ninety-five percent (95%) of the Qualified Gross Revenues. As used in this Agreement, "Qualified Gross Revenues" shall mean the revenue per student received by the Corporation from the State pursuant to the Code. Qualified Gross Revenues do not include student fees, charitable contributions, PTA/PTO income, and other miscellaneous revenue, which shall be retained by the Corporation or PTA/PTO. Federal Title Programs and other federal,

state and local government grant funding that compensates the School for the education of its students, including any grants under the American Recovery and Reinvestment Act of 2009 ("Supplemental Revenues"), shall be paid to the Operator in full within five (5) business days of receipt by the Corporation, which the Operator will use in complete compliance with the grant of such funds.

The Continuing Fee shall be paid via electronic funds transfer within five (5) business days of receipt by the Corporation of any Qualified Gross Revenues. The Continuing Fee shall be subject to an 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 of the term).

(b) **Payment of Costs.** Except as otherwise provided in this Agreement, the Operator shall pay all costs incurred in providing the Model at the School. Such costs include, but are not limited to:

- compensation of all personnel employed by Operator;
- curriculum materials, textbooks, and library books;
- technology and other equipment (excluding Corporation-titled equipment);
- supplies;
- payments for the School Facility;
- maintenance; and
- capital improvements required in providing the Model.

As provided in Section 4, all property purchased with the Operator's funds shall remain Operator's sole property at all times.

(c) **Grants and other Financial Assistance.** From time to time and with the prior approval of the Governing Authority, the Operator may apply for grants, discount programs, and other financial assistance in the School's name to obtain additional funding, improvements, Governing Authority assets, services, and programs for the School, aid the Corporation in fulfilling the terms of the School Contract, or provide additional goods, services, and programs to the students. Such grants or other assistance may be on an advance funding or reimbursement basis. The Governing Authority shall not unreasonably withhold or delay approval of any application, and shall be deemed to have approved any application submitted by the Operator to the Governing Authority unless the Governing Authority gives specific written objections to the Operator within ten (10) business days after the Governing Authority's receipt of notice of such submission.

Within five (5) business days following the Corporation's receipt of reimbursement funds from the applicable funding source and following presentation of an invoice to the Corporation by the Operator, the entire amount of such funds shall be paid to the Operator via electronic funds transfer. In the case of advance funded grants or other financial assistance, the Corporation shall pay the Operator for the additional goods, services, and programs within five (5) business days following presentation of an invoice

to the extent such additional goods, services, and programs have been provided or acquired. The Corporation and its designated fiscal officer shall cooperate with the Operator to establish any necessary accounts, authorizations and procedures so that the Corporation can automatically transfer the applicable funding to the Operator as soon as the funds are available in the Corporation's accounts.

(d) The Governing Authority shall cooperate with the Operator to establish accounts and procedures for grant funding. Any funds received for student transportation shall be treated as grants under this Section 7 so long as such funds are used for transportation. This Section shall survive any expiration or termination of this Agreement until all payments earned prior to the date of such expiration or termination have been paid in full.

(e) **Governing Authority Funds.**

(i) After the payment of the Continuing Fee, the Corporation shall deposit all remaining Qualified Gross Revenues into a Corporate Governance Fund, which shall be maintained by the Corporation's Fiscal Officer. From the Corporate Governance Fund, the Corporation pay:

- its fees to its Sponsor;
- its operational expenses;
- its taxes;
- its legal, insurance, accounting, auditing, and other professional fees;
- the cost of any annual audit by the Auditor of the State of Ohio, or any special or independent audits; and
- the purchase price of equipment deemed necessary or appropriate by the Governing Authority for Governing Authority operations that are separate from the day-to-day operation of the School.

Any property purchased with funds from the Corporate Governance Fund shall be titled in the name of Corporation.

(ii) While this Agreement is in effect, the Operator may, in its sole discretion, pay any properly incurred Corporation expense for which the Corporation otherwise has no funding if the Corporation submits a reasonable estimate of the expense to the Operator and the Operator approves it, in writing, prior to the expense being incurred. The payment shall be treated as an advance by the Operator against future revenues of the Corporation, and shall be evidenced by a promissory note, security agreement, and UCC financing statements acceptable to the Operator and the Corporation. In no event shall a promissory note provide for recourse against any member of the Governing Authority, manager of the School, or any third party.

Expenses advanced by the Operator as set forth above shall be repaid to the Operator by the Corporation, in whole or in part, when the Corporation receives revenue to pay the same, provided the Corporation has a cash surplus in its accounts equal to at least three months of reasonably anticipated operating expenses.

8. Personnel and Training.

(a) **Personnel Responsibilities.** The Operator shall employ all personnel necessary to implement the Model. The Operator shall determine staffing levels and salaries, and select, evaluate, assign, discipline, transfer, and terminate personnel, consistent with the School Contract and state and federal law.

(b) **School Administrator.** The Operator shall select, employ, and supervise the School Administrator and hold him or her accountable for the success of the School. The Corporation may at its discretion appoint a Director or a Board Committee to work with the Operator in the hiring process for the selection of the School Administrator, including being present during interviews. The Operator has final approval and authority to make a determination as to the appropriate Administrator.

(c) **Teachers.** Subject to the terms of the School Contract, Operator shall determine grade levels to be offered at the School and shall determine the necessary level of teaching staff for operation of the School. The Operator shall select, employ, and supervise teachers and all such teachers shall report to the School Administrator. All teachers shall be licensed in accordance with state and federal law. The curriculum taught by such teachers shall be the curriculum developed pursuant to Section 3(b) hereof. The Operator may employ teachers on a full- or part-time basis, at its sole discretion.

(d) **Support Staff.** Prior to the commencement of the first school year under this Agreement, and from time to time thereafter, the Operator shall determine the number and functions of support staff, qualified in the areas required, as are required for operation of the School and by Ohio law. The Operator may employ staff on a full- or part-time basis, at its sole discretion.

(e) **Training.** The Operator shall train teachers in its methods, curriculum, program, and technology on a regular and continuous basis. Non-instructional personnel shall receive such training as the Operator deems reasonable and necessary under the circumstances.

(f) **Salary and Benefits.** For the Operator's employees, the Operator assumes full responsibility and liability for benefits, salaries, worker's compensation, unemployment compensation, and liability insurance.

(g) **Additional Programs.** The Corporation and the Operator may mutually decide to provide programs in addition to the Model. Additionally, the Operator and the

Operator Affiliates may offer other educational services at the School Facility outside of school hours, provided the same do not interfere with the operation of the School.

9. Termination by the Corporation. The Corporation may, at its option, terminate this Agreement prior to its expiration upon the occurrence of any of the following events:

(a) The Corporation's School Contract is not renewed by the Sponsor, and no similar contract is obtained with the Sponsor or any other authorized sponsor;

(b) The Operator materially fails to comply with a specific and material requirement of this Agreement, and does not cure the failure within 30 days of receiving written notice of the failure from the Corporation. However, if the Operator determines that the failure cannot be reasonably cured within 30 days, and the Operator promptly undertakes and continues efforts to cure the failure within a reasonable time, the failure shall not be grounds for termination. Notwithstanding the foregoing, if the Operator's failure to comply with a specific and material requirement of this Agreement creates an imminent danger to the life of students, parents, or others, the failure must be cured immediately upon written notice from the Corporation;

(c) The Operator files for bankruptcy, has a bankruptcy suit filed against it that is not dismissed within ninety (90) days, is insolvent, ceases its operations, fails to pay its debts when they become due, or has a receiver appointed for the benefit of its creditors;

(d) The Operator fails to maintain the insurance coverage described above; or

(e) The parties mutually agree in writing to terminate the Agreement.

10. Termination by the Operator. The Operator may, at its option, terminate this Agreement upon the occurrence of any of the following events:

(a) The Corporation fails to make any payment of money due to the Operator within five (5) days of when it is due;

(b) The Operator suffers operating deficits related to the operation of this School for the academic year, provided that any notice of termination delivered by the Operator to the Corporation after school opens for the school year shall not be effective until the end of that academic year;

(c) The Corporation is in material default under any other condition, term or provisions of this Agreement or the School Contract, and the default remains uncured for thirty (30) days after the Corporation receives written notice from the Operator of the default, unless the default cannot be reasonably cured within 30 days, in which case the Corporation shall promptly undertake or continue efforts to cure the material default within a reasonable time;

(d) Any adverse and material change in local, state or federal funding for the Corporation's students; provided that any notice of termination delivered to the Corporation based upon an adverse and material change in funding shall be effective when the funding change goes into effect or such later date as designated by the Operator; or

(e) Any Operator facility that is instrumental to the implementation of the Model or the day-to-day operations of the School is inaccessible so that, in the Operator's reasonable discretion, providing maintenance or continuing School operations would be unfeasible, uneconomical or impractical, provided that notice of termination is delivered by the Operator to the Corporation within sixty (60) days after the occurrence of the event(s) giving rise to such right of termination.

In the event that the Corporation or the Operator elects to terminate this Agreement for any of the reasons contained in Section 9 or 10, then the parties shall continue to perform their respective obligations hereunder, notwithstanding such notice of termination, until the end of the then current academic year.

11. Duties Upon Expiration or Termination. Upon expiration or termination of this Agreement for any reason whatsoever, the Corporation shall immediately pay to the Operator and/or any of the Operator's affiliates any moneys owing to such person or entity and return to the Operator all materials purchased by the Operator pursuant to Section 3 above. Upon expiration or termination of this Agreement for any reason whatsoever, Operator shall return to the Corporation all student educational records and all Corporation-titled equipment and material (if any). Notwithstanding the foregoing, in the event that the School closes for any reason, the Operator shall comply with Section 3314.44 of the Ohio Revised Code and instead transmit the educational records of each student to said student's school district of residence. This Section 11 shall survive any expiration or termination of this Agreement.

12. License. The Operator developed and owns proprietary rights to the Model, the Protected Materials, as defined in Section 13 below, and the "Lincoln Park Academy" name (the "Name"). The Operator hereby grants the Corporation a limited revocable license to use the Model, the Protected Materials and the Name in connection with the School. At such time as this Agreement is terminated or expires, the license granted herein shall automatically terminate and the Corporation shall: (a) immediately cease using the Name, the Protected Materials and the Model; (b) if the Corporation chooses to continue doing business and/or will not dissolve within six (6) months of the termination or expiration of this Agreement, change its corporate name to some name other than the Name, which new name shall not consist in any variation or manner of the word or words "Lincoln Park Academy," used alone or in any combination; and (c) notify the Sponsor, the Department of Education and any other oversight entity including, but not limited to, the Secretary of State, of the name change. This Section 12 shall survive any expiration or termination of this Agreement.

13. Proprietary Rights. The copyrights and intellectual property rights for all methods, documents, curricula and materials developed by the Operator during the course of operating the School (collectively, the "Protected Materials") shall be the sole and exclusive

property of the Operator. The Corporation, the School and the Governing Authority shall not have any right to any of the same either as a "Work Made for Hire" (as such are defined under the U.S. and international copyright laws) or otherwise. The Operator shall exclusively own all United States and international copyrights, trademarks, patents and all other intellectual property rights in the Protected Materials.

The Protected Materials may not be used by the Corporation, the School or the Governing Authority for any purpose other than strictly within the scope of the license granted under Section 12 without the prior written consent of the Operator.

Immediately upon termination of this Agreement or upon the Operator's earlier request, the Corporation, the School and the Governing Authority shall deliver all originals and copies of the Protected Materials (regardless of the media on which they are stored) to the Operator, and shall delete all Protected Materials from all databases and storage media maintained by the Corporation, the School, or the Governing Authority. This Section 13 shall survive any expiration or termination of this Agreement.

14. Relationship of the Parties. The parties acknowledge that their relationship is that of each Party being independent contractors. No employee, consultant or compensated individual of either Party shall be deemed an employee, consultant, or compensated individual of the other Party. Nothing contained herein shall be construed to create a partnership or joint venture between the Parties.

15. Confidentiality and Non-Disclosure. 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, 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) belonging to, or relating to the affairs of a Party to this Agreement ("Protected Party") or received through association with a Protected Party (collectively, "Confidential Information"), whether the Confidential Information was received before or after this Agreement unless the Party using or disclosing the Confidential Information can show that the Confidential Information: (i) was known to the using or disclosing Party prior to its association with the Protected Party; (ii) has become available to the public other than by a breach of this Agreement by the using or disclosing Party; or (iii) was disclosed to the using or disclosing Party by a third person or entity that is not prohibited by a contractual, fiduciary or other legal obligation to the Protected Party from disclosing the Confidential Information.

This Agreement does not prohibit the parties from disclosing Confidential Information they are legally compelled to disclose. However, if a Party is legally compelled by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands or similar process to disclose any Confidential Information, the Party covenants to use its best efforts to provide the Protected Party with prompt written notice (not less than forty-eight (48) hours) so that the Protected Party may seek a protective order or other appropriate remedy and/or

waive compliance with the provisions of this Agreement. In the event that a protective order or other remedy is not obtained, or that the Protected Party waives compliance with the provisions of this Agreement, the disclosing Party covenants to furnish only that portion of the Confidential Information that the Party is legally required to disclose, and to exercise its best efforts to obtain reliable assurance that the Confidential Information will be treated confidentially. This Section 15 shall survive any expiration or termination of this Agreement.

16. Non-Solicitation. The Corporation hereby agrees that commencing on the date of this Agreement and continuing for two (2) years after the termination or expiration of this Agreement, neither it nor its affiliates will directly or indirectly: (i) solicit or actively seek to hire any employee of the Operator; or (ii) solicit any personnel employed by the Operator to terminate his or her relationship with the Operator.

This Section 16 shall survive any expiration or termination of this Agreement. The two (2) year period of time in this Section will be extended by the amount of time that the School engages in any activity in violation of this Agreement and while the Operator seeks enforcement of this Agreement.

17. Limited Third Party Beneficiaries. The Corporation acknowledges that: (a) the Name, some of the components of the Model and some of the Confidential Information referenced in Section 15 above belong to affiliates of the Operator, including without limitation White Hat Management, LLC; White Hat Ventures, LLC; BHA Ohio, LLC; Signal Tree Education, LLC; and WHLS of Ohio, LLC (collectively, "Operator Affiliates"); (b) some of the Protected Materials referenced in Section 13 above may be developed by one or more Operator Affiliates; (c) some of the employees used in providing the Model may be employed by the Operator Affiliates; and (d) an Operator Affiliate injured by any breach of this Agreement by the Corporation may enforce this Agreement against the Corporation. Accordingly, such Operator Affiliates shall benefit from Sections 13, 14, 15 and 16 above.

Whenever the term "Operator" is used in Sections 12, 13, 14, 15, 16 and 18 of this Agreement, the term shall be deemed to refer to the Operator and all Operator Affiliates collectively. Subject to this section, this Agreement and its provisions are for the exclusive benefit of the Parties and their affiliates and not for the benefit of any third person. Moreover, this Agreement shall not be deemed to confer or have conferred any rights, express or implied, upon any other third person. This Section 17 shall survive any expiration or termination of this Agreement.

18. Injunctive Relief / Dispute Resolution.

(a) **Injunctive Relief.** The Corporation acknowledges that the covenants set forth in Sections 12, 13, 15, and 16 above are reasonable and necessary to protect the Operator and its business. If the Corporation engages in any activity that violates the provisions of this Agreement, the Corporation agrees that the Operator will suffer irreparable harm, and that in addition to any other remedies available to it, the Operator shall be entitled to an injunction that enjoins and restrains the Corporation from continuing the activity.

(b) **Mediation.** Except as otherwise provided in this Section 18, if a dispute arises out of or relates to this Agreement or the subject matter hereof and if said dispute cannot be settled through negotiation, the parties agree that, prior to litigation, they will first attempt to mediate and settle the dispute in good faith through a mutually-agreed mediator.

(c) **Exceptions.** Notwithstanding anything else in this Agreement, claims for monies due, claims for services rendered, claims for injunctive relief as provided for in Section 18(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 or pursued through mediation as set forth above. In the event that a Party pursues claims for monies due in court, all other disputes herein shall be subject to good faith mediation as provided in Section 18(b). This Section 18 shall survive any expiration or termination of this Agreement. Actions for money damages may be brought without terminating this Agreement.

19. Notices. Any notice required by this Agreement shall be provided to the Sponsor within 10 days in writing by (1) personal service, (2) United States postage prepaid certified mail with return receipt requested, (3) facsimile (provided a copy is sent by one of the other permitted methods of notice), or (4) a nationally recognized overnight carrier, addressed as follows:

If to the Operator, to:

STA Lincoln Park, LLC
121 South Main Street, Suite 200
Akron, Ohio 44308
Attn: President
Facsimile: (330) 762-5037

With a copy to:

John F. Martin
Brennan, Manna & Diamond, LLC
75 East Market Street
Akron, Ohio 44308
Phone: (330) 253-5060
Facsimile: 330-253-1977

If to the Corporation, to:

Lincoln Park Academy, Inc.

Attn: Governing Authority President
Phone:
Facsimile:

With a copy to:

Amy E. Goodson
Amy Goodson Co., LLC
2851 Fulmer Drive
Silver Lake, Ohio 44224

Phone: (330)962-6776
Facsimile: (330)923-8122

20. Severability. The invalidity or unenforceability of any provision or clause in this Agreement shall not affect the validity or enforceability of any other clause or provision.

21. 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 the first 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.

22. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. Jurisdiction and venue is proper in the county in which the School is situated.

23. Assignment; Binding Agreement. Neither Party shall assign this Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that the Operator may assign this Agreement to a similarly situated and qualified affiliate without the consent of the Corporation so long as an assignment would not invalidate the School Contract. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

24. Independent Activity. All of the parties to this Agreement understand that Operator's business is to operate and manage charter schools throughout the State. As such, the parties agree that Operator and its affiliates may operate other charter schools in multiple states including the State of Ohio.

25. Representations and Warranties of the Operator. The Operator hereby represents and warrants to the School as follows:

(a) The Operator is duly organized, validly existing, and in good standing under the laws of the State of Nevada. It has the authority to carry on its business as now being conducted and has the authority to execute, deliver, and perform this Agreement.

(b) The Operator has taken all actions necessary to authorize the execution, delivery, and performance of this Agreement. This Agreement is a valid and binding obligation of the Operator enforceable against it in accordance with its terms, except as may be limited by federal and state laws affecting the rights of creditors generally, and except as may be limited by legal or equitable remedies.

(c) The Operator has made, obtained, and performed all registrations, filings, approvals, authorizations, consents, licenses, or examinations required by any

government or governmental authority, domestic or foreign, in order to execute, deliver and perform its obligations under this Agreement.

(d) The Operator has the financial ability to perform all of its duties and obligations under this Agreement.

26. Indemnification of the Parties. The Corporation and the Operator (herein referred to as "Party" and/or "Parties") shall indemnify and hold harmless each other and their members, directors, employees, officers and affiliates from any and all claims, demands, actions, suits, causes of action, obligations, losses, costs, expenses, attorney fees, damages, judgments, orders, and liabilities of whatever kind or nature in law, equity or otherwise, arising from any of the following:

(a) A failure of the Party or any of its officers, trustees, directors, or employees to perform any duty, responsibility or obligation imposed by law, by this Agreement, or by the School Contract; and

(b) An action or omission by the Party or by the Party's officer, trustee, director, employee, successor, agent or contractor that results in injury, death or loss to person or property, breach of contract, or violation of state or federal law.

27. Force Majeure. In the event that either Party shall be delayed, hindered, or prevented from performing any act required under this Agreement by reason of fire or other casualty, acts of God, strike, lockout, labor trouble, inability to procure services or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the delayed Party, its performance shall be excused for the period of the delay and the period for performance shall be extended for a period equivalent to the period of the delay. This Section shall not excuse the Corporation from prompt payment of any amounts required by the terms of this Agreement.

28. Amendment. This Agreement may not be modified or amended except by a writing signed by each Party.

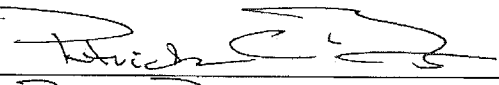
29. Counterparts. This Agreement may be executed in several counterparts, with each counterpart deemed to be an original document and with all counterparts deemed to be one and the same instrument.

30. Captions. Paragraph captions are used herein for reference only and are not intended, nor shall they be used, in interpreting this instrument.

31. Integration / Entire Agreement. This Agreement (together with the documents referred to herein) contains the entire agreement between the parties and supersedes all prior agreements between the parties, if any, written or oral, with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands by and through their duly authorized officers as of the date first above written.

CORPORATION:
LINCOLN PARK ACADEMY, INC.

By: 
Its: BOARD PRESIDENT

OPERATOR:
STA LINCOLN PARK, LLC

By: 
Its: CEO