

Appendix L – CWC Kansas City/CWC
Schools Licensing and Affiliation
Agreement

AMENDED AND RESTATED LICENSE AND AFFILIATION AGREEMENT

This AMENDED AND RESTATED LICENSE AND AFFILIATION AGREEMENT (the “Agreement”) is entered into effective as of October 13, 2015 (the “Effective Date”) by and between Citizens of the World Charter Schools, a California nonprofit public benefit corporation (“Licensor” or, in combination with all of the Citizens of the World charter schools, including those in Los Angeles and New York, the “CWC Network”), and Citizens of the World Charter Schools – Kansas City, a Missouri nonprofit public benefit corporation (“Licensee”).

RECITALS

WHEREAS, the Midtown Community School Initiative (“MCSI”) is a grassroots organization created by parents that aims to provide high-quality elementary school options for families in the Midtown neighborhoods of Kansas City, Missouri. MCSI undertook an RFP process, performed rigorous due diligence and selected Licensor for its public school model focus on academic excellence and commitment to diversity – both critical to keeping families with young children in Midtown. Licensor then performed due diligence on its end, including holding conversations with numerous parents in the MCSI, parents who are not members of MCSI, and a range of community leaders, elected officials, religious leaders, early learning centers, local health care organizations, members of the business community, existing charter school leaders, philanthropists, neighborhood associations, and university leaders. Licensor approved plans to open two elementary schools in Midtown Kansas City, as soon as 2016;

WHEREAS, Licensee, will apply to a sponsor (the “Authorizer”) to operate one or more charter schools in the Midtown neighborhood of Kansas City, Missouri (the “Schools”) by the spring of 2015;

WHEREAS, the CWC Network’s core “Purpose” is to realize human potential by strengthening the bonds among us and developing true citizens of the world;

WHEREAS, the CWC Network’s “Mission” is to impact and expand the conversation about what an excellent education contains, requires and accomplishes;

WHEREAS, the CWC Network’s “Core Values” are:

Excellence. We demand lasting quality.

Diversity. We are better and stronger because of our differences.

Authenticity. We are our true selves in this work, and we are candid.

Community. We care deeply about people. We share and build partnerships. We celebrate, laugh, and seek joy, even in the tough times.

Change. We welcome the unknown, embracing the unexpected and new. We adapt to meet the ever-changing times. We find new ways.

WHEREAS, the CWC Network’s “Operating Norms” are as follows:

We operate with generosity of spirit. We assume the best. We strive to be empathetic and compassionate.

We operate with integrity. We align our beliefs with our actions. We don’t shoot elephants.

We operate with humility. We are respectful. We engage with an understanding that our experiences and perspectives are limited.

We operate with urgency and discipline. We know we can’t wait, yet we respect that change takes time, care and thought.

We operate as learners. We encourage vulnerability, posing ourselves for development and growth.

We operate with curiosity. We ask, “How? Why? Why not?” When facing challenges, we self-manage by turning to wonder.

We operate with the utmost professionalism. We do what we say we are going to do, when we say we are going to do it.

WHEREAS, the CWC Network aims to provide an excellent public education that is academically rigorous, is socioeconomically, racially and culturally diverse, and builds community both within and outside of the CWC schools;

WHEREAS, CWC schools will serve diverse neighborhood communities, providing a high-quality education for all students from kindergarten through high school. With exceptional leadership at all levels and opportunities to participate in interactive, rigorous learning experiences with students from all backgrounds, CWC students will be prepared for success in college, a diverse society, and a global economy;

WHEREAS, by offering a viable public school option in these neighborhoods, CWC schools will bring families back into the public system;

WHEREAS, with whole communities engaged with one another around high-performing, diverse public schools in which they can witness children of all backgrounds thriving, the CWC Network will cultivate a true understanding that public education can work for all students. CWC school families, like the CWC Network, will be fueled by an increased sense of urgency to unleash our country’s still untapped potential that high-performing diverse public schools can realize. By investing in such success, our communities will help us move our country closer to an excellent, world-class American public education system;

WHEREAS, the CWC Network’s approach to teaching and learning stems from the following “Philosophical Foundations”:

Understanding. Learning best occurs when students construct their own understandings, under the guidance of a teacher who offers varying levels of support, as needed informed by students' current abilities and needs. Our theory of learning is comprised of three building blocks: constructivism, gradual release of responsibility and data-driven instruction, each of which is defined briefly below:

- **Constructivism:** a theory of learning and knowing, grounded in the fundamental concept that students learn through the process of constructing their own personal understanding of new information and ideas.
- **Gradual release of responsibility:** an instructional model that presents a process in which the responsibility is released from the teacher to the student
- **Data-Driven Instruction:** use of assessment data, which enables us to adapt to the students we serve, utilizing insights from both standardized exams and classroom-based tools.

Connection. CWC Schools' academic model supports and depends upon connections with oneself, one's community and the world. Our model supports this development through social emotional learning (SEL), which we believe to be as integral to an excellent education as traditional academic subjects and, moreover, is necessary for the world that we live in. Students need both academic standards as well as social emotional capabilities, and the development of one supports the development of the other. SEL involves both learning about oneself, in the form of self-awareness and self-management, and others, the form of social awareness, empathy and relationship skills/compassion. Moreover, the challenges inherent in rigorous academic tasks and collaborative work provide opportunities for students to grow emotionally;

Diversity. We believe that the diversity of our communities, and of the world at large, is a great strength. Through targeted outreach and recruitment, our schools are intentionally designed to reflect their surrounding communities and the larger society in terms of race, ethnicity and socioeconomic status. By learning, interacting and growing in a diverse setting, our students are preparing to thrive in the pluralistic society they will soon join. This model allows our students to form meaningful relationships with individuals of other races, cultures, and backgrounds. Studies have shown that students with these experiences are better able to live and work in diverse settings than those from more homogenous schools.

WHEREAS, Licensor holds rights to certain trademarks and design marks for "Citizens of the World" and "Citizens of the World Charter School," including but not limited to rights in connection with United States Trademark Registration No. 4,057,645 (collectively, the "Marks");

WHEREAS, Licensee desires to use the Marks in connection with nonprofit educational activities in the territory identified herein;

WHEREAS, Licensor and Licensee are mutually committed to co-creating and supporting public schools conforming to the Purpose, Mission, Core Values and Operating Norms of the CWC Network (collectively, the "CWC Way");

WHEREAS, Licensor has provided and continues to provide Licensee with certain “pre-formation” services in order to alleviate certain technical and financial burdens on Licensee in the founding of the Schools, including, without limitation, assisting with the preparation and submittal of the initial charter petitions, providing funding for the formation and initial operations of Licensee and the Schools, assisting with the recruitment of the initial officers, directors and founding parents, assisting with the talent and facilities acquisitions, assisting with the preparation of Licensee’s federal tax-exemption application, and providing other administrative and technical support (collectively, the “Founding Support”);

WHEREAS, while significant autonomy in decision-making around creating and operating these schools will rest with Licensee – in keeping with Licensor’s interest in empowering local schools and communities – Licensor expects to continue to support Licensee and the Schools with critical academic, financial, administrative, technical and other forms of support that Licensee may need so that Licensee can concentrate its own resources on directly fulfilling the needs of its students, teachers, families and delivering upon its Purpose and Mission, including, without limitation, the services set forth in **Exhibit A** (collectively, the "CWC Network Services"); and

WHEREAS, Licensor and Licensee look forward to ongoing collaborative efforts, through dialogue, communication, interaction and mutual support, in co-developing the Schools and their operations, curriculum, environment, facilities, communities and educational experience and outcomes, all in furtherance of the CWC Purpose and Mission.

NOW, THEREFORE, BE IT RESOLVED, in consideration of the mutual covenants and conditions contained herein, Licensor and Licensee hereby agree as follows:

SECTION 1: DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

1.1 “Educational Activities” shall mean nonprofit educational activities and programs, encompassing students in grades from kindergarten through 12, including but not limited to traditional academics and social-emotional learning, which shall be financially sustainable and designed to fulfill CWC’s Purpose and Mission. Aligned to the Philosophical Foundations, these will include the following instructional approaches and practices, curricular materials, and assessments (as the same may be amended from time to time by Licensor):

- (a) Instructional Approaches and Practices: Teaching for Understanding, Gradual Release of Responsibility, differentiated/personalized learning, workshop/balanced literacy, data-driven instruction, Cognitively Guided Instruction, project-based learning
- (b) Curriculum: Follow the requirements of the CWCS Core and Recommended curricular materials
- (c) Assessment: Administer CWCS Assessment Suite and report the results

- 1.2 The “CWC Network Liaison” shall have the meaning provided in **Exhibit A**.
- 1.3 “Marks” shall mean and include all trademarks, service marks, design marks, trade names, domain names, registrations and applications for registration thereof, and any common law rights pertaining thereto, belonging to the Licensor, including those attached hereto as **Exhibit B**.
- 1.4 “School” or “Schools” shall mean those Kansas City public schools listed on **Exhibit C**.
- 1.5 “Territory” means the State of Missouri.

SECTION 2: LICENSE GRANT, NAMING RIGHTS AND RESTRICTIONS

- 2.1 License. As of the Effective Date, and subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a non-transferable, non-sub-licensable and non-exclusive license to use, reproduce and display the Marks in connection with its Educational Activities in the Territory and only with respect to Licensee and the Schools (the “License”). Except with respect to the fees payable pursuant to Section 6.4 and allocable to the License, the License shall be non-royalty bearing.
- 2.2 Licensor Naming Rights. On all of its correspondence, websites, documents, signage, clothing, displays and marketing or advertising materials of any kind, each School shall prominently identify itself by the name of such School as set forth on **Exhibit C** and shall not refer to itself by any other name without the prior written consent of Licensor. In all cases, use of the licensed Marks shall be in compliance with Licensor’s trademark guidelines as may be provided to Licensee from time to time. Each School operated by Licensee shall be listed on **Exhibit C**, which shall be updated by Licensor from time to time accordingly.
- 2.3 Ownership of Marks. Licensee acknowledges and agrees that the Marks, all applications and registrations therefore, and all associated rights, title and goodwill, are or shall be owned solely by the Licensor, and that Licensee shall never directly or indirectly contest Licensor’s ownership or the validity of the Marks. Licensee shall (i) assist and cooperate with Licensor to perfect, enforce or acquire Licensor’s rights, titles and interests in the Marks, (ii) use its best efforts to protect the Marks, and (iii) report promptly to Licensor any infringement of any of the Marks of which it has become aware. The License granted herein is not intended to be (and shall not be construed as) an assignment, and nothing herein confers on Licensee any right, title or interest in the Marks other than the limited rights of usage permitted by this Agreement.
- 2.4 Marks Protection. Licensor reserves the sole and exclusive right at its discretion to assert claims against third parties for infringement or misuse of its Marks. Licensee shall, provide reasonable assistance to and cooperate with Licensor in connection therewith as may be necessary to give effect to the foregoing. If

Licensor elects to initiate any action or proceeding in connection with the licensed Marks, it may do so in its own name alone or may elect to join Licensee as a party. In the event that Licensor joins Licensee as a party, Licensee shall not object to such joinder.

- 2.5** Use and Other Marks. All use of the licensed Marks shall inure solely to the benefit of, and on behalf of, Licensor. Licensee shall not use or apply to register any trademark that incorporates, includes, is a derivative of, or would tend to dilute any Mark that is the subject of this Agreement, except as expressly authorized herein. Licensee shall not transfer, sublicense or permit any third party the right to use any of the licensed Marks, in whole or in part, without the prior written approval of the Licensor. Licensee agrees that it shall not apply for registration of any of the licensed Marks or for any trademark, name, logo or other designation that Licensor believes, in good faith, to be confusingly similar to or which could dilute the distinctiveness of the licensed Marks.
- 2.6** Non-disparagement. Licensee shall not use the licensed Marks in a manner that is disparaging to or that could reasonably otherwise harm the goodwill associated with the Marks, or in any manner that suggests or implies a relationship between the parties other than the relationship that is set forth in this Agreement and any other agreements between the parties.
- 2.7** Use of Marks. Licensee shall at no charge to Licensor provide Licensor, at the times and for the purposes set forth below, with samples, copies or pictures of any and all goods, packaging, documentation, manuals, advertising, websites, marketing or other materials that bear any of the licensed Marks or that Licensee intends to use or distribute in connection with the Marks (collectively, “Marks Materials”). Marks Materials constituting substantive external communications (e.g., press releases, advertising, parent manuals, etc.) shall be provided to Licensor for its approval prior to their distribution. Licensee shall endeavor to provide copies of all other substantive Marks Materials to Licensor prior to or reasonably contemporaneously with their distribution for its approval or consideration, as applicable. Licensee agrees that the quality of any websites, goods and services with which it uses the licensed Marks shall be comparable to the quality of websites, goods and services with which the Licensor uses the licensed Marks, and shall substantially comply with the current Style Guide or other reasonable guidance provided by Licensor.
- 2.8** Future Claims. In the event that (i) there is a claim or demand made against Licensor or Licensee with respect to any licensed Mark in any jurisdiction, or (ii) there is a determination in any court of competent jurisdiction or by any other governing authority that the right to use a licensed Mark is unenforceable in any jurisdiction, Licensor may notify Licensee in writing that it is suspending or modifying the Licensee’s right to use the relevant Mark in such jurisdiction until the applicable issue has been resolved. In the event of such a notice of suspension or modification, Licensee shall be permitted a reasonable period of time, not to exceed thirty (30) days, to comply with such notice. Licensee shall be solely

responsible and liable for any claim, demand, penalty or damages (including reasonable attorney’s fees) (collectively, “Costs”) arising from its continued use of any Mark after this period of time.

SECTION 3: QUALITY CONTROL

3.1 In order to maintain the quality of the Educational Activities and goodwill associated with the Marks, (i) Licensor (a) has provided and continues to provide the Founding Support, and (b) shall provide Licensee and the Schools, as applicable, the CWC Network Services, and (ii) Licensee agrees to comply with the following provisions at all times, as applicable with respect to each School:

(a) Licensee shall be committed to the CWC Way and shall comply with the charter for each School. These require that Licensee provide a socioeconomically, culturally, and racially diverse community of students with an intellectually challenging learning environment that develops each individual student’s confidence, potential, and individual responsibility as citizens of the world in which we live. Licensee shall achieve, with respect to each School:

1. Socioeconomic Diversity – Annual Board-adopted enrollment targets and recruitment efforts that ensure that a minimum of 40% of the lottery participants for each School are eligible for the National School Lunch Program (“FRL Eligible”);
2. Cultural and Racial Diversity – Annual recruitment efforts that ensure that families representing all members of the diverse target community described in the charter for each School are aware of this public school option, to increase the likelihood that the demographic makeup of each School reflects the School’s diverse community, as described in the approved charter school application for each School, including ethnic, cultural and racial representation. All actions taken to achieve cultural and racial diversity will be in strict adherence to the law and with the belief that diversity of all kinds is a strength;
3. Academic Achievement – Annual academic goals – and measurable steps to attain such goals – that ensure students will demonstrate understanding of the Missouri Learning Standards, *at least* 70% of students who have completed three years at a School will score Proficient or Advanced on the Missouri Assessment Program (“MAP”) Mathematics and Communication Arts assessments, and by its fifth year of operation, each School will earn a MAP Performance Index (MPI) equivalent to the DESE Academic Achievement Status Target of 375 in Mathematics and 375 in Communication Arts. Notwithstanding the foregoing, the parties hereto understand and agree that each School should aim to

achieve Proficient or Advanced level results for 100% of its student population without gaps in subgroups **and adopt goals through an annual strategic planning process that move toward this target.** In addition, the Licensee shall ensure that (i) there are adequate systems in place to identify, track and report any significant achievement gaps between any subgroups represented within the School, such as FRL Eligible, students of color (by ethnicity), English Language Learners and others as identified, and (ii) there are no “significant achievement gaps” (as defined below) between the standardized testing results of any “statistically valid” (as defined below) subgroups within the School and those of the majority group of students attending the School. A “significant achievement gap” shall mean a difference of 15 percentage points or more. “Statistically valid” shall mean a sample large enough to protect the privacy of all students when reviewing the relevant testing data. The parties are aware that new state assessments may be adopted prior to the end of the initial term of this Agreement and, if so adopted, the parties in good faith shall recalibrate the Schools’ academic performance goals based on those new assessments, and shall amend this Section 3.1(a)(3) accordingly;

4. Educational Alignment – An instructional model that adheres to the philosophy/approach, instructional practices and educational program of the CWC Network, as outlined in the approved charter for such School and including the Educational Activities; and
5. Community Engagement – Programs that involve all parents and the School community in the activities of the School, including but not limited to: site-based councils, School and community events, fundraising, and participation in student-led activities. Licensee shall ensure that tools are used to track, record and report levels of community engagement and support at regular intervals throughout the year. Licensee shall ensure that 90% of staff members participate in an annual stakeholder satisfaction survey and will use its best efforts to ensure that all staff members and substantially all families, without gaps in subgroups, participate in annual stakeholder satisfaction surveys.

(b) Licensee agrees that the nature and quality of all Educational Activities undertaken in connection with the licensed Marks shall conform to the minimum standards set by Licensor or such higher standards with respect to any School as may be required by (i) Licensor after good faith discussions with Licensee or (ii) the Authorizer. Licensee agrees that Licensor will require quality control tests and standards of financial viability, and shall have the sole right to determine, in good faith, whether the Licensee’s Educational

Activities meet such minimum standards or higher standards, as the case may be.

- (c) Licensor or its authorized representatives shall have the right, except as otherwise provided by law, to monitor and inspect Licensee's facilities and Schools at any reasonable time, including the right to visit and inspect Licensee's facilities, and Licensee shall allow Licensor or its authorized representatives to review and observe Licensee's programs, budgets, procedures, operations and Educational Activities, to confirm Licensee's compliance with this Agreement.
- (d) Licensee shall maintain complete records of its activities in a manner acceptable to Licensor and, unless otherwise provided by law, allow Licensor or its designee to review and inspect such records on reasonable notice to confirm Licensee's compliance with this Agreement. Licensee shall submit any other information related to its Educational Activities to Licensor at Licensor's request, unless otherwise prohibited by law.
- (e) Licensee shall provide regular financial reporting to the Licensor as part of Licensee's requirement to meet reasonable standards of financial viability. Licensee shall provide on a timely basis to Licensor all regular financial reporting presented to Licensee's Board of Directors as part of public Board meetings. At a minimum, Licensee shall provide financial reports to Licensor on a quarterly basis and will include appropriate periodic Income Statements, Balance Sheets, Cash Flow Statements, as well as approved Budgets and Forecasts.
- (f) Licensee shall collect, maintain and report data on the academic achievement level of its students sufficient to allow Licensor to evaluate the progress of these students and the effectiveness of the Licensee's Educational Activities, including compliance with Section 3.1(a)(3), above. Said data includes, without limitation, appropriate and timely longitudinal data on the academic achievement level of its students using state-mandated criterion-referenced tests, commercially available standardized tests, and/or other similar assessment tools requested by Licensor, as well as attendance data, retention data, student enrollment data, and student demographic data. Licensee shall promptly provide any and all of the above-referenced data and test results to Licensor upon availability and Licensor's request.
- (g) Licensee shall participate in and cooperate with multi-day school evaluations and/or instructional audits conducted from time to time by a team designated by Licensor. This evaluation team will assess the quality of Licensee's academic program and Educational Activities and its compliance with this Agreement. In furtherance but not in

limitation of the forgoing, at least annually, Licensor or its designee(s) may conduct an evaluation of each School, utilizing quantitative and qualitative data to be provided by each School sufficient to allow Licensor to identify trends across each School with a license to utilize the Marks, including promising practices to be shared within the CWC Network, including with Licensee and the Schools, and to offer a source of feedback to such CWC Network schools that Board members and school leaders may find useful in setting priorities and goals. Notwithstanding the foregoing, Licensor shall use reasonable efforts to seek to (i) conduct each School's evaluation at a mutually agreeable time and (ii) avoid conducting a School's evaluation during such times as the Authorizer is conducting an active review thereof.

- (h) Licensor shall provide a required template for Principal and teacher evaluations that each School can supplement with School-specific goals and measures. A primary professional development plan shall be created by the Principal of each School. Licensor reserves the right to require the use of certain aspects of Licensor's CWC Network professional development plans and initiatives as needed to maintain high standards at the School. The school evaluation shall comply with the seven Essential Principles of Effective Evaluation as approved by the Missouri Department of Elementary & Secondary Education.
- (i) Licensee's school leader shall attend the annual meeting of school leaders that use the Citizens of the World name, and shall use his or her best efforts to attend all other CWC Network-wide school leader meetings.
- (j) Licensee shall record, respond to and resolve any complaints by parents, students or teachers regarding its Educational Activities, and shall provide Licensor, upon request, with full information and access to documents relating to any such complaints that are, or have been, subject to review by Licensee, including a review by its Board of Directors.
- (k) Licensee must promptly seek approval from Licensor for any proposed material change in its programs or Educational Activities, or of any change in its governance.
- (l) Selection of ED, Principals, and School Leaders. Licensor shall direct and lead, in consultation with Licensee, the initial school leader search for Licensee's first Executive Director. Licensor shall have the right to select, hire, evaluate, supervise, discipline, transfer and terminate, with or without cause, the initial and each future Executive Director of Licensee. Licensor shall have the right to participate in the selection process for School Principals and School leaders. Licensor specifically reserves the right, in consultation with Licensee, to

approve any subsequent or replacement School Principal, such approval not to be unreasonably withheld or delayed.

Duties of Executive Director. In consultation with Licensee's board of directors, the Executive Director of Licensee shall be responsible for the recruitment, selection, evaluation, supervision, and the assignment of the duties of the Principals and School leaders. In the sole discretion of Licensor, the Executive Director of Licensee may be compensated by Licensee, Licensor or any affiliate of Licensor.

Onboarding. Licensor shall direct, or in its discretion may direct in collaboration with the Licensee, the initial training and orientation process ("onboarding") for Licensee's initial and any subsequent Executive Director and Principal for each School to ensure that they are adequately supported in understanding the Educational Activities, the CWC Way and the CWC Network, so that they are poised to successfully lead Licensee or a School. In furtherance but not in limitation of the foregoing, Licensor, in consultation with Licensee, may require specific onboarding activities including but not limited to residency in a CWC Network school.

- (m) Licensee agrees to timely coordinate with Licensor in regards to any media request or similar public relations issue.
- (n) Upon reasonable notice, Licensee agrees to provide Licensor with reasonable access to any School for the purpose of conducting communications activities, including but not limited to photography, and videography, for which Licensor agrees to abide by all applicable laws, including any parental consent requirements.
- (o) Licensee shall comply in all material respects with all applicable laws, regulations, charter or other agreements relating to the implementation, performance, production, promotion or distribution of any products or services related to the Educational Activities.
- (p) Each School shall admit students of any race, color, religion, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the schools. Licensee and each School shall not discriminate on the basis of race, color, religion, national and ethnic origin in the administration of their Educational Activities, admissions policies, scholarship and loan programs, and athletic and other school-administered programs; provided, however, that implementation of certain preferences in School admission lotteries approved by the Authorizer and established in furtherance of Section 3.1(a)(1), above, shall not be considered discrimination for purposes hereof.

- (q) Unless required by law, Licensee shall not permit studies or data collections of any kind to be performed at any School by third parties without the prior written consent of Licensor.
- (r) Licensee agrees to timely coordinate with Licensor in regards to the preparation of any submission related to or any application for the extension, renewal or amendment of any School charter (a “Charter-Related Submission”) to ensure that any Charter-Related Submission properly reflects the Purpose, Mission and current Educational Activities of the CWC Network. At least 30 days in advance of the due date therefor, Licensee shall submit such application to Licensor for its review. Licensee shall obtain the written consent of Licensor prior to submitting any such application, such consent not to be unreasonably withheld or delayed.

3.2 If, in the reasonable determination of Licensor, one or more of the provisions of Section 3.1 are not being met or so pursued, Licensor shall provide written notice of such failure to Licensee in reasonable detail, along with recommendations for satisfaction of such standards or the diligent pursuit thereof, including but not limited to alterations or additions to the Licensee’s Educational Activities, subject to approval of the Authorizer, where required by law, and/or restrictions on the Licensee’s use of licensed Marks. If, in the reasonable discretion of Licensor, (i) such recommendations are not implemented within 60 days of such notice, or in any case if such provision or provisions are not being met for a period of greater than one year after the date of such notice, or (ii) Licensee or any School has engaged in “Gross Financial Mismanagement” (as defined below), then Licensor may unilaterally, and in its sole discretion, upon written notice to the Board, remove any School from **Exhibit C** (and thereby terminate the License with respect to such School) or terminate this Agreement in its entirety. “Gross Financial Mismanagement” shall mean gross financial mismanagement in accordance with generally accepted accounting principles as evidenced by negative audits and/or sworn statements by the Authorizer or other governmental authority, or the documentation of gross financial mismanagement by independent auditors.

SECTION 4: LIMITATION ON LIABILITY

Disclaimer: THE LICENSED MARKS ARE PROVIDED “AS IS” WITHOUT WARRANTY OF ANY KIND, AND LICENSOR DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE LICENSED MARKS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.

SECTION 5: INDEMNIFICATION

- 5.1** Indemnification by Licensee. Licensee shall indemnify, defend and hold harmless Licensor, and its officers, directors, employees and agents, from any Costs incurred by Licensor that may arise as a result of any third party action, causes, claims, demands or proceedings arising from or related to any action or failure to act on the part of Licensee which is not a result of breach by Licensor hereunder. Licensor shall give Licensee prompt notice of any such actions, claims or proceedings, and information in the possession of Licensor that is reasonably required for the defense of such actions, claims or proceedings.
- 5.2** Indemnification by Licensor. Licensor shall indemnify, defend and hold harmless Licensee, and its officers, directors, employees and agents, from any Costs incurred by Licensee that may arise as a result of any third party action, causes, claims, demands or proceedings arising from or related to any action or failure to act on the part of Licensor which is not a result of breach by Licensee hereunder. Licensee shall give Licensor prompt notice of any such actions, claims or proceedings, and information in the possession of Licensee that is reasonably required for the defense of such actions, claims or proceedings.
- 5.3** Insurance. Licensee shall obtain and at all times maintain a comprehensive general liability insurance policy with combined single limit coverage of not less than \$1,000,000.00, and shall name Licensor as an additional insured thereunder. Licensee shall promptly provide Licensor with a certificate establishing proof that such a policy is in effect. Licensee shall provide Licensor ten (10) days written notice of any termination of said insurance policy along with a copy of the certificate evidencing (i) Licensee's subsequent such policy and (ii) the absence of any time gap in the coverage between the terminated and replacement policies. Licensee shall immediately provide Licensor with written notice of any intention by Licensee not to pay the premium for its insurance policy or otherwise terminate its policy without establishing a replacement insurance policy pursuant to this Section 5.3, at which time Licensor shall have the right to automatically terminate this Agreement.

SECTION 6: TERM AND FEES

- 6.1** Term. This Agreement shall be effective as of the Effective Date and shall remain effective for an initial term equal to the duration of the term of Licensee's first approved School charter. This Agreement shall be automatically renewed for additional terms upon and concurrent with the last to expire of any new, renewed or extended School charter held by Licensee. However, upon the affirmative vote of at least 67% of Licensee's directors then in office, Licensee may provide notice to Licensor at least 60 days in advance of such automatic renewal date that Licensee intends to not renew this Agreement (a "Nonrenewal Notice"), such Nonrenewal Notice to include a detailed description of the reasons for the stated intention not to renew. Upon receipt of a Nonrenewal Notice by Licensor, Licensee and Licensor shall enter into good faith negotiations of at least 30 days' duration and intended to resolve the issues raised in the Nonrenewal Notice. If, at the end of the good faith negotiations, Licensee, by the affirmative vote of at least

67% of its directors then in office, resolves to pursue termination of this Agreement, Licensee must affirm its notice not to renew by delivery of a written notice to Licensor at least 10 days in advance of the applicable renewal date (a “Nonrenewal Affirmation Notice”); provided, however, for the avoidance of doubt, that this Agreement shall automatically renew in accordance with this Section 6.1 absent a properly adopted and timely delivered Nonrenewal Affirmation Notice from Licensee and timely payment of the related fee described in Section 6.2(C), below; provided, further, that any Nonrenewal Affirmation Notice timely provided by Licensee shall be valid notwithstanding the expiration of the 30 day negotiation period. Notwithstanding the foregoing, the term of this Agreement remains subject to the termination provisions set forth herein.

6.2 Termination by Licensor.

(A) In addition to the termination provisions set forth in Section 3.2 and 5.3, above, Licensor may terminate this Agreement, including any license granted by Licensor herein, or any rights granted by Licensor with respect to any licensed Mark, at any time in the event of a material uncured breach by Licensee of such license or this Agreement, with respect to which Licensor believes Licensee has not taken adequate steps to cure following 90 days written notice from Licensor. Notwithstanding the foregoing, Licensor may immediately terminate this Agreement, including any license granted herein or rights granted by Licensor with respect to any licensed Mark, if Licensee, in the reasonable determination of Licensor: (i) fails to obtain or maintain a comprehensive general liability insurance policy in the amount and as provided for in paragraph 5.3, above; (ii) files a petition in bankruptcy, becomes insolvent or otherwise incapable of meeting its financial obligations, or if a receiver is appointed for Licensee or for Licensee’s business; (iii) discontinues its operations or ceases to use the licensed Marks; (iv) is in material breach of any term not reasonably subject to cure; (v) has its operations come under the direction or control of personnel other than the person serving as school leader (i.e., the Principal and Executive Director of each School) as of the Effective Date, unless said personnel have been approved in advance and in writing by Licensor; (vi) fails to comply with the requirements for tax-exempt status under Internal Revenue Code section 501(c)(3); or (vii) behaves, or its personnel or employees behave, in a manner that, in Licensor’s reasonable opinion, will have a material adverse effect on Licensor’s reputation, the licensed Marks, or the goodwill associated therewith.

(B) In addition to the rights set forth in Section 6.2(A), Licensor may terminate this Agreement, including any license granted by Licensor herein, or any rights granted by Licensor with respect to any licensed Mark, at any time in the event that Licensee, without the prior written consent of Licensor:

- (a) adopts amendments to Licensee’s Articles of Incorporation or Bylaws as the same are in effect on the date hereof;

(b) approves the merger, consolidation, or affiliation of Licensee with another corporation, organization or program, or the dissolution of Licensee; or

(c) approves the assumption or creation of any indebtedness of Licensee, except for trade debts entered into in the ordinary course of business of Licensee.

(C) In order for Licensor to recoup its lost investment in Licensee, Licensee shall pay \$500,000 to Licensor, to reimburse it for its costs, within ten (10) calendar days of: (1) notice by Licensor of termination of this Agreement pursuant to Section 3.2, 5.3, 6.2(A), or 6.2(B), or (2) the delivery of a Nonrenewal Affirmation Notice by Licensee pursuant to Section 6.1.

6.3 Termination by Licensee. Licensee may terminate this Agreement at any time in the event of a material breach by Licensor of this Agreement, including but not limited to a material failure by Licensor to provide the CWC Network Services required by this Agreement, with respect to which Licensee believes Licensor has not taken adequate steps to cure following 90 days written notice from Licensee. Licensee may terminate this Agreement, upon the good faith determination of Licensee in consultation with Licensor, in the event of a material diminishment in the goodwill associated with the Marks which (i) causes a measurable material harm to any School, (ii) was not caused by an act or omission of Licensee, and (iii) continues for more than 90 days after an initial notice of such material diminishment by Licensee to Licensor, such notice to include a description of the material diminishment and harm to the School(s) in sufficient detail to allow Licensor a reasonable opportunity to restore the goodwill associated with the Marks. Notwithstanding the foregoing, Licensee may immediately terminate this Agreement if Licensor, in the reasonable determination of Licensee: (i) files a petition in bankruptcy, becomes insolvent or otherwise incapable of meeting its financial obligations, or if a receiver is appointed for Licensor or for Licensor's business; (ii) discontinues its operations; or (iii) is in material breach of any term not reasonably subject to cure.

6.4 Fees. In consideration of Licensee's use of the Marks and Licensor's provision of academic, financial, administrative, technical and other forms of support, including but not limited to the Founding Support and the CWC Network Services, Licensee shall pay to Licensor, within fifteen (15) days of the end of each month beginning November 2016, six percent (6%) of Licensee's "total revenue" (as required to be calculated for purposes of the annual financial statement audit, with the following revenue items excluded if applicable: any parent contributions and donations and any non-government grants and donations) with respect to the applicable month for such School; provided, however, that in the event that the Executive Director is compensated by Licensor or any of its affiliates other than Licensee pursuant to Section 3.1(1), such percentage of total revenue shall be eight percent (8%) for the first three years of school operation and seven percent (7%) for all years thereafter. The parties acknowledge that

three percent (3%) of the total revenue being paid as a fee to Licensor is in consideration of Licensee's use of the Marks, with the remaining three percent (3%), five percent (5%), or four percent (4%), as applicable, being paid in consideration of the various services and support described above.

- 6.5** Effect of Termination. Upon termination, resignation or expiration of this Agreement for any reason, (a) Licensee will not have any right to make any use whatsoever of the Marks and Licensor will not have any continuing right to enforce the Licensor Naming Rights set forth in Section 2.2, and (b) all principal and any outstanding interest on loans of any nature made by Licensor to Licensee shall become fully and immediately due and payable. To the extent that Licensee's corporate name includes any of the Marks, including but not limited to the "Citizens of the World" name, and unless expressly agreed to in writing by Licensor, Licensee shall immediately change its name to a name that does not include any of the Marks, or any portion of the Marks, following termination or expiration of this Agreement.
- 6.6** Survival Upon Termination. The provisions of this Agreement relating to the Ownership of Marks (Section 2.3), Marks Protection (Section 2.4), Limitation of Liability (Section 4), Indemnification (Section 5), Fees (accrued prior to termination) (Section 6.4), and Co-Development (Section 7) and Intellectual Property (Section 8) shall survive the termination of this Agreement for any reason.

SECTION 7: CO-DEVELOPMENT

- 7.1** "Co-Development": Licensor and Licensee shall use their best efforts to collaborate, through dialogue, communication, interaction and mutual support, in co-developing and continually improving the Schools and their operations, curriculum, environment, facilities, communities and educational experience and outcomes (the "Co-Development Goals").
- 7.2** Co-Development shall include the identification of potential improvements, problems or areas in need of development, and analysis of improvement strategies and solutions with a view to adopting mutually agreed actions. Co-Development is intended to entail useful mechanisms allowing the parties to work together in developing solutions or projects designed to respond to a question or a need that promotes the Co-Development Goals. In furtherance but not in limitation of the foregoing, Licensee shall ensure that Licensor may participate meaningfully in regional planning discussions, including, but not limited to "annual strategic planning meetings" (as defined below), and may, at Licensor's discretion, participate meaningfully in pilot projects, educational innovations, the preparation of any Charter-Related Submissions, and similar material plans and developments. "Annual strategic planning meetings" include but are not limited to discussions regarding the identification of regional goals, strategies to achieving those goals, and a determination of how and what data will be used to measure the level of the achievement of those goals.

- 7.3 The parties understand that the results of Co-Development can take many forms, such as a new curriculum, policy, procedure, a method of implementation for a measure determined by the parties, or a jointly identified project.

SECTION 8: INTELLECTUAL PROPERTY

- 8.1 The results of Co-Development are generally expected to be jointly owned by the parties hereto. For the avoidance of doubt, however, the parties acknowledge that Licensor has created and owns certain intellectual property, including curricula and other education-related systems management, copyrights, etc., upon which Licensee and the Schools are and will be based (the “CWC Network IP”). It is expected that certain results of Co-Development will constitute “Derivative Work” or “Improvements” with respect to the CWC Network IP.
- 8.2 “Derivative Work” means a work that is based on one or more preexisting works, such as a revision, enhancement, modification, translation, abridgement, condensation, expansion, or any other form in which such preexisting works may be recast, transformed, or adapted, and that, if prepared without authorization of the owner of the copyright in such preexisting work, would constitute a copyright infringement. For purposes hereof, a Derivative Work shall also include any compilation that incorporates such a preexisting work. Derivative Work shall also include any intellectual property developed in connection with a project structured, facilitated and sponsored by Licensor.
- 8.3 “Improvements” include any variation, refinement and/or improvement to the CWC Network IP. Any Improvement shall be considered a Derivative Work.
- 8.4 Licensor shall have sole and exclusive ownership of all right, title, and interest in and to the CWC Network IP, all copies thereof, and all Improvements thereon and other Derivative Works therefrom (including ownership of all copyrights and other intellectual property rights pertaining thereto), and all copies of any of the foregoing.
- 8.5 Licensee shall not have title to or ownership of the CWC Network IP (including any Derivative Work or Improvements), but shall have the following limited non-exclusive rights with respect to any Improvements or Derivative Work which Licensee creates or co-develops with Licensor: In recognition of the contribution Licensee makes in support of any Derivative Work or Improvements, Licensor shall grant to Licensee an irrevocable, perpetual, non-exclusive, royalty free, world-wide right to use any such Derivative Work or Improvements in Licensee’s non-profit educational activities.
- 8.6 Licensee is encouraged to share CWC Network IP with interested parties outside the CWC Network or to otherwise utilize CWC Network IP outside of Licensee’s non-profit educational activities; provided, however, that Licensee shall first obtain Licensor’s prior written consent, which shall not be unreasonably withheld or delayed.

SECTION 9: GENERAL PROVISIONS

- 9.1** State Law. This Agreement and any dispute arising from the performance or breach thereof shall be governed by and enforced in accordance with the laws of the State of Missouri, without reference to any conflict of laws provisions.
- 9.2** Severability. In the event that any provision of this Agreement is found to be invalid, illegal or unenforceable in any jurisdiction, all other provisions hereof shall remain in full force and effect, and such invalidity, illegality or unenforceability shall not affect the validity, legality and enforceability of all other provisions.
- 9.3** No Modification or Waiver. At each renewal of the term of this Agreement pursuant to Section 6.1, the parties shall enter into good faith discussions as to desired modifications to the CWC Network Services and the fees described in Section 6.4. Notwithstanding the forgoing, there shall be no amendment, modification or waiver of any provision of this Agreement unless made in writing by both parties hereto. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance. No failure on the part of either party to exercise any right under this Agreement, or any right provided by state law or equity or otherwise, shall impair, prejudice or constitute a waiver of any such right.
- 9.4** Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Licensor and Licensee, and their respective successors and assigns, provided that this Agreement may not be assigned or transferred, directly or indirectly, by Licensee to any third party, whether by operation of law or otherwise, without the prior written consent of Licensor. Nothing in this Agreement shall be construed to limit the right of Licensor to assign the Marks or this Agreement, provided that the transferee or assignee agrees in writing to be bound by the terms and conditions of this Agreement.
- 9.5** Independent Contractors. Nothing in this Agreement is intended, or is to be construed, to constitute a partnership or any other relationship between the parties hereto. Neither of the parties to this Agreement shall have any express or implied right or authority to assume or create any obligation on behalf of any other party, or to bind any other party to any contract, undertaking or agreement with any third party. The Parties agree that nothing in this Agreement may be construed to require Licensor to operate, administer or otherwise manage any of the Schools within the meaning of section 160.405.13 of the Missouri Revised Statutes, and Licensee agrees that it shall retain the sole responsibility for the operation, administration and management of the Schools for all purposes thereof.
- 9.6** Entire Agreement. This Agreement embodies the entire understanding between the parties hereto, including with respect to the licensed Marks, and supersedes any prior communications, representations or understandings with respect thereto,

whether written or oral, which shall hereby be null and void, including, effective as of the date hereof, any previously adopted versions of this Agreement.

SECTION 10: NOTICES

- 10.1** In the event that there is a suit, claim, demand, determination, judgment or any other legal proceeding initiated or made against Licensee in or by any court or other governmental body or legal authority, including but not limited to the Authorizer, Licensee shall promptly notify Licensor in writing with a detailed description of the matter and a copy of any non-legally privileged documentation thereof.
- 10.2** Any notices or other communications required to be given by either party pursuant to this Agreement shall be in writing and personally delivered or sent by certified or registered mail, or by commercial overnight courier service with tracking capabilities, costs prepaid, to the following address, respectively, which address may be replaced by notice in writing to the other party hereto:

To Licensor:

Citizens of the World Charter Schools
c/o Christian Cutter, Secretary
5731 Wilshire Blvd., Suite 210
Los Angeles, CA 90036

With a copy to:

Ofer Lion
Seyfarth Shaw LLP
333 S. Hope Street, Suite 3900
Los Angeles, CA 90071

To Licensee:

Citizens of the World Charter Schools – Kansas City
c/o Luke D. Norris, Chair

Kansas City, MO _____

(Signature page follows)

IN WITNESS WHEREOF, Licensor and Licensee have caused this Agreement to be entered into as of the Effective Date.

LICENSOR

Citizens of the World Charter Schools,
a California nonprofit public benefit corporation

By: 
J. Kristean Dragon
President

LICENSEE

Citizens of the World Charter Schools – Kansas City,
a Missouri nonprofit public benefit corporation

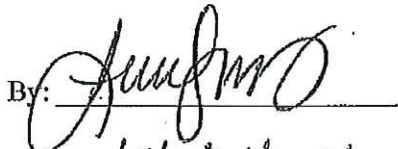
By: 
Name: Luke D. Norris
Its: Chair

EXHIBIT A

CWC Network Services

CWC Network Services

Unless otherwise indicated, terms used herein shall have the meanings ascribed in the License and Affiliation Agreement.

Pursuant to the Agreement, Licensor and Licensee expect to engage in ongoing collaborative efforts, through dialogue, communication, interaction and mutual support, in co-developing the Schools and their operations, curriculum, environment, facilities, communities and educational experience and outcomes, all in furtherance of the CWC Purpose and Mission, and the parties expect that the following CWC Network Services will be subject to discussion and engagement on an ongoing basis.

I. PRE-OPENING

This first phase involves Licensor's role in Licensee's start-up and launch period. During this phase, Licensor determined to enter the region after completing a significant amount of community outreach and research. Licensor performed all functions necessary to obtain charter approval. Licensor has directed and continues to direct the recruitment, selection and onboarding of Licensee's founding board members and School leader talent. These CWC Network Services are rendered for purposes of creating the Schools and ensuring their successful launch.

A. Start-up/Launch Support/Charter Development

1. Diversity/Community

- Licensor assesses fit for school model by researching community interests, demographics, and political climate.
- Licensor engages with local community, including outreach to parents, community leaders, charter advocates and other key stakeholders.
- Licensor engages local experts to gain knowledge on how to be successful in obtaining charter in specified region.
- Licensor is engaged in public outreach strategy as needed to be responsive and adaptive to community needs.
- Licensor staff will travel regularly to the region in order to build strong relationships with all stakeholders.
- Licensor staff and applicable Licensee founding board members will attend public hearings.
- Licensor will incur marketing expenses consisting of marketing collateral such as parent engagement documents and information about the CWC Network and the new Schools.

2. Academics

- Licensors develop the overall academic framework and design for the Schools within the areas of Curriculum, Instructional Methods and Assessments, through the chartering process.
- The charter application process will be initiated with the chartering agency.
- The charter petition is written with thorough descriptions of the academic program and governance.
- Licensors staff will attend meetings with the chartering agency officials and respond to feedback and request for changes in the petition by the chartering agency and stakeholders.
- All aspects of the charter petition will be negotiated with the chartering agency.
- Licensors will perform advocacy intended to ensure approval of the charter.

3. Talent

- Licensors recruit and “onboard” Licensee’s founding board members with education about, and the board members endorse, the mission, vision and theory of action of the CWC Network.
- Licensors will assess regional landscape for talent pipelines and build relationships as needed with potential talent networks.

B. School Operations/Finance/Infrastructure Setup

- Licensors assess revenue of region to understand the financial viability of the model.
- Licensors develop an initial school budget as part of the chartering process.
- Licensors initiate facility conversations with local experts.
- Lawyers are engaged to advise on the charter application and Licensee’s corporate formation and tax-exemption.
- Licensors set up corporate structure and undertake initial federal, state and local regulatory filings.

- Payroll tax identification numbers will be applied for, both federal and state.
- Directors and Officer's insurance will be set up by Licensor to protect Licensee's directors and officers.
- Local bank accounts will be established.
- Licensor staff will recruit, attract, and onboard Licensee's Executive Director and School Principals, and will evaluate, supervise and discipline the Executive Director.
- Licensor will train Licensee board and leadership staff to build context and knowledge on the CWC Network educational model and commitment to diversity.
- Licensor will oversee the development of the operating budget.
- Licensor will provide zero interest start-up financing.
- Licensor will vet vendors and make recommendations to Licensee's board.
- Community engagement will be transitioned to from Licensor staff to Licensee directors and staff, who will receive ongoing support and coaching by Licensor.
- Licensor staff will continue to travel to the local region.
- Licensor will provide Licensee's board and leadership with Human Resources Support (hiring paperwork, payroll set, etc.)

II. ONGOING SUPPORT

In the second phase of Licensor and Licensee's relationship, the role of Licensor intentionally diminishes with the ultimate goal of empowering the Licensee to achieve the capacity to independently fulfill the role and responsibilities set forth in the charter, including having primary authority to make decisions regarding the design and operation of Schools in accordance with this Agreement. If Licensee requests additional help or services from Licensor, and Licensor is capable of delivering such support at high levels of quality, Licensor shall undertake its best efforts to accommodate the request.

As outlined in Section 3 of this Agreement, Licensor will (i) conduct School evaluations and/or audits, (ii) facilitate CWC Network information sharing and working to replicate best practices among all schools in the CWC Network, and (iii) support the Schools in determining effective knowledge management systems. The Parties expect that their annual strategic planning meetings will be critical to these efforts.

Licensors will continue to provide support in the following areas:

A. General

Licensors will assist Licensees with:

- Strategic planning support;
- Board succession planning and the vetting of proposed new members;
- Out year talent selection tools, rubrics and guidance (sometimes coaching);
- Implementation analysis and feedback (interim and sometimes in real time);
- Development and support on implementing an assessment suite;
- Dashboards and rubrics for organizational reporting;
- Leadership coaching aligned with CWC Way;
- Communications planning, including media-related requests and training; and
- Identification and implementation of pilot and/or innovation projects.

B. Academic

- Licensors will collaborate with Licensees in support of curricular decisions and best practices for implementation and execution of the program and curricula outlined in the charter.
- Licensors will support School leadership training on proven pedagogical practices.
- Licensors will provide support to ensure that the Schools' social emotional programs are strong.
- Teacher and principal evaluation models will be created by Licensors and provided to Licensees with examples for effective implementation.
- School evaluations and/or instructional audits will be developed and conducted by Licensors. The evaluation process will focus on quality of outcomes and fulfillment of the CWC Purpose and

Mission. These reviews will provide feedback to School leaders that they may use in making programmatic decisions. In addition, this process will identify promising practices to share across the CWC Network.

C. Talent

- Licensors will support Schools in leveraging talent across and beyond the CWC Network.
- Licensors will support key Licensee leadership talent, including its Board of Directors and School Principals.
- Licensors will select, hire, evaluate, supervise, discipline, transfer and terminate Licensee's Executive Director.
- Licensors will direct, or in its discretion may direct in collaboration with the Licensee, the initial onboarding of Licensee's initial and any subsequent Executive Director and Principal for each School to ensure that they are adequately supported in understanding the Educational Activities, the CWC Way and the CWC Network, so that they are poised to successfully lead Licensee or a School.
- As part of the CWC Network, School leaders will gain access to a Principal Network and Executive Director Network, all facilitated by Licensors.

D. Diversity/Community

- Licensors will provide support to local region's community outreach efforts including:
 1. Licensors support of transition and onboarding of new School leaders in collaboration with Licensee's board, with attention to parent and community relationships and context.
 2. Licensors will develop replicable materials for School leaders in the area of parent/community outreach.
- Licensors will provide public relations support to help build awareness of the Schools and the school model in local communities.

E. School Operations/Finance/Infrastructure

- Licensors will assist with Licensee's financial oversight responsibilities to seek to ensure on behalf of taxpayers and

families (1) that strong financial controls are in place and (2) overall financial health.

- Licensors will continue to vet and recommend vendors.
- Licensors will share best practices to increase Licensee's operational efficiency.
- Licensors will support Licensee's leadership in creating their strategy for future growth.

F. Set-backs

- In the event problems arise in the following areas, while Licensee remains ultimately responsible for its governance, operations, finances and compliance with all applicable laws and regulations, Licensors shall reasonably seek to support Licensee and such School with resolution of issues arising in the following areas:
 1. Academic Performance
 2. Community Relations
 3. Diversity
 4. Chartering Authorizer Compliance
 5. Employee Relations
 6. Financial Condition
 7. Internal Controls/Fraud
 8. Vendor Quality Assurance
 9. Strategic Vision Alignment
 10. Curriculum Design

III. CWC NETWORK

One or more executive level employees of Licensors shall be responsible for Licensors communications with Licensee, identifying and resolving problems, issues and challenges that arise with respect to the Schools or this Agreement, and recommending more effective coordination and collaboration between the parties hereto, as appropriate. Licensors shall use reasonable efforts to address any such issues or concerns which Licensors concurs in good faith are material.

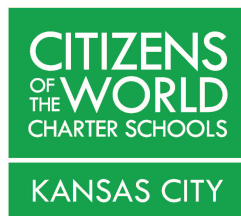
EXHIBIT B

1. U.S. Trademark Registration No. 4,057,645
(Application No. 85/235,575)
Mark: CITIZENS OF THE WORLD CHARTER SCHOOL
Attorney Docket No. 79208.000002

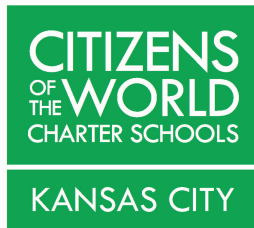
2. All potential, pending or existing service marks, logos, design marks, trade names, domain names, registrations and applications for registration thereof with respect to the trademark listed in item 1, above, or any substantially similar mark, including but not limited to “Citizens of the World” and “CWC”.

EXHIBIT C

1. Citizens of the World Kansas City 1
2. Citizens of the World Kansas City 2



Appendix M – CWC Kansas City/ CWC Term Sheet



CWC Kansas City Term Sheet with CWC Schools

Citizens of the World Charter Schools - Kansas City (CWC Kansas City), a 501(c)(3) not-for-profit organization registered with the State of Missouri (Appendix G), will hold the charter and be responsible for governing all schools in the LEA. Upon approval of this application by the Missouri State Board of Education, CWC Kansas City will act as a Local Education Agency (LEA).

CWC Kansas City will be part of the Citizens of the World Charter Schools (CWC Schools) network. CWC Schools is a 501(c)(3) not-for-profit network of academically rigorous, free public schools where students of diverse backgrounds learn to high levels and grow into caring and responsible citizens of the world. CWC Kansas City and CWC Schools are connected by a licensing and affiliation agreement (Appendix L).

CWC Kansas City has, and will continue to ensure, that the relationship between CWC Kansas City and CWC Schools is transparent, cost effective and in the best interests of CWC Kansas City, with clear mechanisms for oversight and evaluation. The following information is provided in compliance with 160.415.7 RSMo:

1. Evidence of CWC Schools' success in serving similar student populations:

See *Appendix V: CWC Schools Background Information* (pages 283-288) for evidence of other schools in the CWC network successfully serving a racially and economically diverse student population, aligned to the proposed target population in Midtown Kansas City. Pages 31-32 of the application narrative further detail the success of the network's model.

2. Term Sheet:

a. Proposed duration of the agreement between CWC Kansas City and CWC Schools:

See *Appendix L: CWC Kansas City/CWC Schools Licensing and Affiliation Agreement* (section 6.1, pages 137-138).

b. Roles and responsibilities of the governing board, the school staff, and CWC Schools:

The Board's role is as decision-making public servants and fiduciaries of the LEA. The Board will govern schools in alignment with the performance contract agreed upon with sponsor, while adhering to and furthering the CWC mission. CWC Schools shall have the responsibility and authority to select, hire, evaluate, assign, discipline, transfer and terminate the Executive Director at CWC Kansas City. The Executive Director shall be responsible for recruitment, selection and evaluation of school leaders, with approval of school leader(s) appointment by the CWC Kansas City Board. School leaders, teachers and other employees of the school will be employees of CWC Kansas City.

c. Scope of services and resources to be provided by CWC Schools:

See table below along with *Appendix L: CWC Kansas City/CWC Schools Licensing and Affiliation Agreement* (section 6.1 and pages 146-151).

d. Performance evaluation measures and timelines:

CWC Kansas City will use a number of mechanisms to ensure that the appropriate level of services are delivered by CWC Schools. Firstly, there will be an annual strategic planning process between CWC Kansas City and CWC Schools to ensure the network is providing the necessary and focused support to the LEA. Secondly, CWC Kansas City will have the ability to convey any concerns (material or otherwise) to CWC Schools through one or more executive level staff members responsible for communicating with the LEA. A CWC network staff member will deliver a report to the CWC Kansas City Board at their monthly meetings, including updates on network support to CWC Kansas City and sharing of best practices from other regions in the network.

e. Compensation structure and clear identification of all fees paid:

See *Appendix L: CWC Kansas City/CWC Schools Licensing and Affiliation Agreement* (section 6.4, pages 139-140) and *Appendix W: CWC Kansas City LEA Budget* for percentage and total amount of fees paid. In addition, see page 57 of the application narrative for a description of the fees paid. Services, as part of the fees including those connected to licensing, are meant to capture a variety of supports. Total fees equal to 8% for the first three years, and 7% thereafter (section 6.4 of Appendix K), include licensing fees “Licensee’s use of Marks” comprising 3%. Finally, see *Section C.1 Budget* (pages 58-60). CWC Schools is providing significant financial support to CWC Kansas City, including \$650,000 in direct donations and an \$800,000 interest free start-up loan.

f. Methods of contract oversight and enforcement:

In addition to the mechanisms described above in the performance evaluation measures and timelines section, CWC Kansas City has the ability to terminate our agreement with CWC Schools in the events of a material breach by CWC Schools, including, but not limited to a material failure by CWC Schools to provide the services required and detailed in *Appendix L: CWC Kansas City/CWC Schools Licensing and Affiliation Agreement*.

g. Investment disclosure: N/A

h. Conditions for renewal and termination of the contract:

See *Appendix L: CWC Kansas City/CWC Schools Licensing and Affiliation Agreement* (sections 6.1, 6.3, 9.3, pages 137-139 and 142), which provides detail regarding term, equitable termination rights by both parties and provisions to ensure good faith discussions upon renewal related to the fees and services.

3. Disclosure of any conflict of interest between the CWC Kansas City and CWC Schools:

There is no conflict of interest between the two organizations.

4. Existing CWC Schools agreements for equivalent services for any other charter schools in the United States:

There have been no terminations or non-renewals of those services at any point in the life of the agreements.

5. Reporting structure for the CWC Kansas City legal counsel:

CWC Kansas City will ensure that any legal counsel sourced and appointed to represent the LEA reports directly to the CWC Kansas City Board. No CWC Kansas City board member will concurrently serve on the board and as legal counsel.

6. The process that the expenditures that CWC Schools intends to bill to the charter school shall receive prior approval of the governing board or its designee:

The term sheet described below outlines the services CWC Schools will provide to CWC Kansas City. The terms have been negotiated between the two organizations. Both CWC Kansas City and CWC Schools agree to review and revise the term sheet to reflect the services requested and/or provided on an annual basis. CWC Schools will not provide a service unless it has been agreed upon by CWC Kansas City. Section 6.3

(page 139) of Appendix L describes the process for payment of funds to CWC Schools. To ensure that the expenditures that CWC Schools intends to bill CWC Kansas City shall receive prior approval of the governing board, the invoicing process will be initiated by CWC Kansas City. For each billing cycle, the CWC Kansas City regional office will collect state or authorizer confirmation of payments/revenue for the months in the billing cycle and send them to CWC Schools, which will then calculate fees based on the terms of the licensing agreement and generate the invoice. CWC Schools will provide the invoice, with payment confirmation statements attached, to CWC Kansas City. The regional office will issue payment to CWC Schools in absolute compliance with internal fiscal controls, which include board approvals of the invoice. The Executive Director shall be included in all correspondence regarding the issuance of revenue statements and invoicing of licensing fees.

The term sheet below is provided to further articulate the services provided by CWC Schools to CWC Kansas City. For additional information, please see Exhibit A of *Appendix L: CWC Kansas City/ CWC Schools Licensing and Affiliation Agreement* (pages 146-151).

Services CWC Schools Will Provide to CWC Kansas City	Measurements	Timeline
Assessment of fit for school model by researching community interests, demographics, and political climate.	Successful application to the Midtown Community School Initiative (MCSI) and Engagement in Collaboration with MCSI.	November 2013 to August 2014
The expertise and capacity to obtain initial charter , including: <ul style="list-style-type: none"> • Engagement of local experts to gain knowledge on how to be successful in obtaining charter • Initiation of the charter application process • Writing of the charter petition with thorough descriptions of the academic program and governance • Attendance at meetings with sponsor chartering agency and response to feedback and requests for changes • Negotiation of the charter petition with chartering agency • Advocacy intended to ensure approval of charter 	Strong partnership with the network leading to charter approval, including additional sites. CWC Kansas City leads the process of engagement and negotiation of charter petition with Sponsor.	Present-Charter Approval (prior to December 1, 2015 per statute)
Coordination and assistance in preparation of any submission related to or any application for the extension, renewal or amendment of any school charter	Strong partnership with the network leading to charter renewal	Ongoing through LEA operation
Strong initial and ongoing community engagement efforts, including: <ul style="list-style-type: none"> • Engaging with local community, including outreach to parents, community leaders, charter advocates and other key stakeholders • Engaging in public outreach strategy as needed to be responsive and adaptive to community needs • Regular travel to the region in order to build strong relationships with all stakeholders • Partnership in transitioning community engagement from the Network to CWC Kansas City • Ongoing community engagement support and coaching • Communications planning, including media-related requests and training 	Deep collaboration with the network to ensure strong community engagement, as evidenced by lottery and enrollment numbers (quantity and diversity) and knowledge of the school throughout the community	Ongoing through LEA operation

<ul style="list-style-type: none"> • Replicable materials for school leaders for parent/community outreach • CWC Schools staff and applicable CWC Kansas City founding board members will attend public hearings • Public relations support to help build awareness of the schools and the school model • Marketing expense consisting of marketing collateral such as parent engagement documents and information about the CWC Network and the new schools 		
<p>One or more executive level employees of Licensor shall be responsible for Licensor communications with Licensee, identifying and resolving problems, issues and challenges that arise with respect to the Schools or this Agreement, and recommending more effective coordination and collaboration between the parties.</p>	<p>Strong collaboration and communication with the network executive level employee(s)</p>	<p>From charter approval through LEA operation</p>
<p>Support in the ongoing strategic planning of the region, including support in the creation of the region’s strategy for future growth</p>	<p>Strong partnership with the Network leading to a strategic plan that is both ambitious and feasible and that the region can use to guide decision making</p>	<p>Ongoing through LEA operation, with particular emphasis on start-up phase, and growth to middle and high school grades.</p>
<p>Support and partnership in the execution of the CWC school model, including:</p> <ul style="list-style-type: none"> • Developing the overall academic framework and design for the Schools within the areas of Curriculum, Instructional Methods and Assessments • Supporting the solicitation, screening, selection, professional development and implementation of curriculum and programs (including improvements) • Supporting the identification, creation, and/or replication of innovative practices and programs through national resources, connections, or development 	<p>Support from the Network leading to strong implementation of the school model as evidenced by the ongoing evaluations</p>	<p>Ongoing through LEA operation</p>
<p>Engagement and support in the ongoing evaluation cycles designed to provide strong feedback to CWC Kansas City, including providing:</p> <ul style="list-style-type: none"> • Annual, multi-day school evaluations and/or instructional audits, focused on the quality of outcomes and fulfillment of the CWC purpose and mission • Templates for principal and teacher evaluations • Analysis and feedback on programs, personnel effectiveness, and student learning • Development of an assessment suite, including support for understanding, implementation, and interpretation of school-wide assessment practices • Dashboards and rubrics for organizational reporting • Monitoring and evaluation of the social emotional learning 	<p>Support and partnership in the creation of a strong, ongoing learning loop, ensuring CWC Kansas City is taking advantage of the best opportunities for LEA improvement</p>	<p>Ongoing through LEA operation</p>

<p>program and practices</p> <ul style="list-style-type: none"> • Alignment to and compliance with seven essential principles of Missouri’s educator evaluation system 		
<p>Support in the recruitment and screening of new board members, and continued professional development of existing board members, in collaboration and discussion with CWC Kansas City when possible, including:</p> <ul style="list-style-type: none"> • Board succession planning and the vetting of proposed new members • Board onboarding (mission, vision and theory of action of the CWC Network and the CWC educational model and commitment to diversity) • Continued board development and training 	<p>The successful completion of a strong board and ongoing support. Network assistance in recruiting new board members, screening candidates, and appointment of new members.</p>	<p>Ongoing through LEA operation</p>
<p>Strong support in setting up the financial and legal requirements of the organization, including:</p> <ul style="list-style-type: none"> • Providing zero-interest start up financing • Assessment of revenue of region to understand the financial viability of the model • The development of an initial school budget as part of the chartering process • Initiation of facility conversations with local experts • Lawyers are engaged to advise on the charter application and Licensee’s corporate formation and tax-exemption • Sets up corporate structure and undertakes initial federal, state and local regulatory filings • Application for federal and state tax ID numbers • Setting up insurance for Directors and Officers to protect Directors and Officers • Establishing local bank accounts • Oversight of the development of an operating budget • Vetting vendors and making recommendations to the board. • Providing human resources support (hiring paperwork, payroll setup, etc.) • Assist the financial oversight responsibilities to ensure that strong financial controls are in place and strong overall financial health • Providing ongoing operational expertise to increase efficiency 	<p>The creation of a strong financial and legal model for CWC Kansas City that will set up the region to be secure and in compliance with all necessary regulations</p>	<p>September 2014-August 2016 (LEA opening) with continued assistance as needed through LEA operation</p>
<p>Assistance and support in the recruitment, onboarding, and ongoing professional development of CWC Kansas City staff, including:</p> <ul style="list-style-type: none"> • Recruitment, selection, and evaluation of CWC Kansas City’s Executive Director • Recruitment of CWC Kansas City’s school principals • Assessment of the regional landscape for talent pipelines and relationship building as needed with potential talent networks • Hosting CWC Network-wide school leader meetings for 	<p>Partnership with the Network to ensure a strong, engaged staff that are growing in meaningful ways</p>	<p>September 2014-August 2016 (LEA opening) with continued assistance as needed through LEA operation</p>

<p>ongoing networking and professional development</p> <ul style="list-style-type: none"> • Providing the required template for principal and teacher evaluations with examples for effective implementation • Providing talent selection tools, rubrics, and guidance (and sometimes coaching) • Leadership coaching aligned with the CWC way • Support of training for school leadership on proven pedagogical practices • Support schools in leveraging talent across the network. • Provide access to a principal network and executive director network • Support transition and onboarding of new school leaders in collaboration with the Licensee board, with attention to community relationships and context 		
<p>Support to the region in the event that problems arise in the following areas: Academic, Performance, Community Relations, Diversity, Chartering Authorizer Compliance, Employee Relations, Financial Condition, Internal Controls/Fraud, Vendor Quality Assurance, Strategic Vision Alignment, Curriculum Design</p>	<p>Strong troubleshooting support that leads to a remediation of the issue</p>	<p>As requested by CWC Kansas City through LEA operation</p>