

CERTIFICATION OF RESOLUTION
FOR
MANAGEMENT AGREEMENT
ACCEL ONLINE OHIO, LLC

Gateway Online Academy of Ohio
(An Ohio Non-Profit Corporation)

The Governing Authority (the "Board") of Gateway Online Academy of Ohio, (the "School" and the "Corporation"), a non-profit corporation organized under the laws of the State of Ohio, hereby resolves as follows:

IT IS HEREBY RESOLVED that the Gateway Online Academy of Ohio Board of Directors approves the Management Agreement. The Agreement, Exhibit A, is attached hereto and incorporated herein as if restated in its entirety.

IT IS FURTHER RESOLVED that the Board Chair is authorized and directed to execute any and all forms, and/or documents required in connection or by reason of this resolution.

APPROVAL AND ADOPTION OF RESOLUTION

Motion approve the Management Agreement with ACCEL Online Ohio, LLC without with)
 amendment(s), made by Member Bartlett
 seconded by Member Sanzotta.

Board Member Name/Initials	AYE	NAY	Other (Not present, abstain, etc.)
Kimberly Bartlett	✓		
Diane Faehnrich	✓		
Steven Kunberger	✓		
Mark Sanzotta	✓		
Jonathan Petrea, Chairman	✓		

Duly adopted by a vote of the Board on this 14th day of March, 2022.

Jonathan Petrea

Jonathan Petrea (Mar 14, 2022 21:11 EDT)

Jonathan Petrea, Chairman
Gateway Online Academy of Ohio

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT ("Agreement") entered into this 15 day of March, 2022, (the "Effective Date") is between Accel Online Ohio LLC, a Delaware limited liability company (the "Manager"), and Gateway Online Academy of Ohio, an Ohio nonprofit corporation (the "School"). Manager and School separately may be referred to as a "Party" and together the "Parties".

WITNESSETH

WHEREAS, the School is organized as an Ohio nonprofit corporation under Chapter 1702 of the Ohio Revised Code (as such provisions may be amended from time to time) and the School has entered into a School Sponsorship Agreement (the "Sponsorship Agreement") with St. Aloysius Orphanage (the "Sponsor"), pursuant to which the School is authorized to operate a public community school under Chapter 3314 of the Ohio Revised Code;

WHEREAS, the Manager has developed an educational model to manage and operate community schools in Ohio (the "State"). The Manager provides the community schools it manages with a complete curriculum (together with any future improvements, alterations or refinements thereto, the "Model"), and provides management services, including educational, managerial, financial, technology and other consulting services as requested, and the Model to community or charter schools throughout the State and in other states;

WHEREAS, the School is aware of the increasing need for greater educational alternatives for children in its community to receive a 21st century education that provides connection, purpose and mastery which in turn creates opportunities in careers and/or college;

WHEREAS, the Manager strives to reach out to students who have become disengaged, or are at risk of becoming disengaged, from their education or school and provide those individuals with quality, career-focused internships, project-based learning opportunities, and other life skills which are necessary to commence and live a successful and rewarding life in an increasingly competitive global market;

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

WHEREAS, the Manager desires to provide the services referenced above.

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 a term of five (5) years, commencing on July 1, 2022, and expiring on June 30, 2027 (the "Initial Term"), unless terminated before the expiration date as provided for herein. Thereafter, this Agreement shall automatically renew for successive ten (10) year terms (each a "Renewal Term") unless one Party notifies the other Party not less than eighteen (18) months prior to the expiration of the then-current term of its intention not to renew this Agreement. The Initial Term and any Renewal Term are collectively, the "Term". Non-renewal of this Agreement may be for any reason or no reason.

2. The Sponsorship Agreement. The School shall be responsible for its own corporate governance and operation in accordance with applicable law and the Sponsorship Agreement. To assist the School in carrying out the terms of the Sponsorship Agreement, the School contracts with the Manager to provide the Model and certain functions, equipment, technology, supplies, facilities, services and labor necessary to operate the School. In providing services required by this Agreement, the Manager must observe and comply with all applicable federal, State and local law, and the School must qualify as a "public benefit corporation" as defined in Section 1702.01(P) of the Ohio Revised Code. The Manager shall be accountable to the School for the administration, operation and performance of the School in accordance with the Sponsorship Agreement and as set forth herein. The School shall select, with input from Manager upon request, a third party to serve as the designated fiscal officer and shall hire and pay same. The School shall not amend the Sponsorship Agreement during the Term in any manner that materially affects the responsibilities and obligations of the Manager and the School without the Manager's prior written approval. The foregoing notwithstanding, the School may amend the Sponsorship Agreement to reflect changes required by applicable law provided that if any such amendment results in additional cost to the Manager the Parties may renegotiate terms of this Agreement to account for such changes and if the Parties cannot reach mutually agreeable terms, the Manager shall have the right to terminate this Agreement.

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

(a) **Academic Progress Reporting.** The Manager shall report academic progress annually to the School, consistent with the provisions of the Sponsorship Agreement, and provide regular updates at School meetings if so requested by the School. The Manager shall timely comply with all requirements of local, State and federal laws relating to community schools, and all audits and requests by the Sponsor relating to the demonstration of these requirements must be successfully completed. The School shall give reasonable allowance under the circumstances for appropriate time for documentation, reporting, analysis, and rectification of any non-compliance and complaints.

(b) **Curriculum and Assessment.**

The Manager shall provide the Model to the School, ensure that the Model is aligned with the Sponsorship Agreement and applicable law, and continuously monitor and assess the implementation of the Model at the School. The Model includes curriculum, assessment tools, a learning management system, a student information system and a content management system in all subjects and grades Manager generally offers to its managed programs customers; and additional curriculum or educational programs Manager recommends to achieve the goals of the School.

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

(ii) The Manager shall identify its gifted education and special education plans to the School consistent with the provisions of the Sponsorship Agreement and

shall report to the School at regular meetings and seek the School's prior written approval of any material changes or modifications to the programs.

(c) Professional Development for School Administrators and Teachers.

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

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

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

(d) Administrative Facility and Facility Management.

(i) The Manager will provide a facility for the School located at 1644 Snow Road, Parma OH, 44134 or such other facility as shall be selected by the Manager and approved by the School in writing ("Administrative Facility"). During the Term, the Administrative Facility shall be used only for administrative purposes.

(ii) The Manager shall be responsible for providing such maintenance and custodial services for the Administrative Facility as it deems necessary or appropriate.

(iii) Upon the recommendation of the Manager and subject to prior written approval by the School, which approval shall not be unreasonably withheld, the Manager may increase or decrease the size of the Administrative Facility or move the Administrative Facility to another location by leasing or purchasing a suitable facility for the School.

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

(v) The Manager shall report to the School on any material changes to the Administrative Facility location.

(vi) The School will make available to the Manager, at no cost or fee, all space at the Administrative Facility necessary and reasonable to perform the services described in this Agreement that are not otherwise provided online or remotely from the Manager's usual place of business. Manager may provide other services elsewhere, unless prohibited by the Sponsorship Agreement, the Ohio Revised Code or applicable laws or regulations.

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

(i) The School shall make available to the Manager for continued use in the operation of the School all furniture, technology, technical infrastructure, hardware, software, equipment, and other personal property owned or acquired by the School for use by the School. The Manager 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 Manager 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 Manager's own account and not on behalf of the School. If the Manager purchases equipment on behalf of the School using funding specifically provided by the School, the equipment will be titled in the name of the School and owned by the School. However, in no event shall any of the Continuing Fee (as defined in Section 7 below) or any operational grant funds be used for the purchase of School-titled equipment. All other personal property shall be purchased and owned by the Manager. 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 School.

(iii) The Manager shall purchase or lease all equipment used in operating the School, and shall maintain the equipment in proper working order. The Manager 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 Manager shall determine the suitability of technology for use in the School.

(v) The Manager shall monitor production services, i.e., the learning management and content management systems.

(vi) The Manager shall monitor and analyze data to fix production issues as they arise.

(vii) The Manager shall generate reports on student academic performance, attendance and progress.

(viii) The Manager shall develop, design, publish and maintain the School's website.

(ix) The Manager shall determine hardware configurations (including software and operating systems) for the School's technology needs.

(x) The Manager shall provide support for School administration in troubleshooting system errors.

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

(xii) The Manager shall provide other technology support services requested and mutually agreed upon by the School's board of directors (the "Board") and Manager.

(xiii) The Manager shall provide to the School, as requested, access to the Manager's supply sources (including supply sources of Manager's Affiliates) to obtain centralized purchasing discounts for the School where applicable. "Affiliate" means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Manager whether through ownership of voting securities, by contract interest or otherwise.

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

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

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

(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 Sponsorship Agreement.

(iv) Advise the School regarding special education and special needs students, programs, processes and reimbursements through the Manager's special education department.

(v) Provide student data information management services, testing and testing analysis required by law or otherwise deemed necessary or useful by the Manager and provide the same to the Sponsor to the extent required by the Sponsorship Agreement.

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

(g) Student Recruitment and Admissions. The Manager shall recruit and enroll students, the majority of whom will be enrolled in a dropout prevention and recovery program, subject to its recruitment and admission policies and applicable laws. Students shall be recruited and selected in accordance with the procedures in the Sponsorship Agreement and in compliance

with all applicable federal, State and local laws. Recruitment via lead generation, lead qualification and lead conversion to application and enrollment will take place via a contact strategy by phone, email, and in-person events. Manager will implement the School's admission policy, including management of the application and enrollment process as well as orientation. Manager will maintain a call center function to facilitate recruitment and admissions.

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

(i) Public Relations. Manager will coordinate and assist with any and all advertising, branding, media and public relations efforts, including parent and community outreach programs and local community relationship building. All public relations will be subject to the mutual approval of both Parties, which approval may not be unreasonably withheld.

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

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

4. Purchases with School Funds. When Manager purchases furniture, computers, software, equipment, or other personal property for use in the operation of the School with state funds that were paid to Manager by the School as payment for services rendered, such property is property of the School and is not property of the Manager. When Manager purchases furniture, computers, software, equipment, or other personal property for use in the operation of the School with Manager's funds after determining Continuing Fees are insufficient to pay for such expenses, such property is property of the Manager and not property of the School. The Manager shall permanently mark or tag with a number any property owned by the School in accordance with School policy and keep an inventory of said property.

5. Insurance and School Responsibilities.

(a) The Manager's Responsibility. The Manager shall procure at its expense insurance required to be maintained by the School under the Sponsorship Agreement, except for directors and officers/school leaders insurance, including employment practices liability and errors and omission, in the amount of \$1 million for the benefit of the Board, which shall be procured and maintained by the Board at its expense. The types and limits of the School's insurance policies shall at all times be as follows unless different types and/or higher requirements are set forth in the Sponsorship Agreement: commercial general liability in the

amounts of \$1 million per occurrence and \$2 million in the aggregate; excess or umbrella extending coverage as broad as primary commercial general liability coverage in the amount of \$3 million; automobile in the amount of \$1 million; and employers liability in the amount of \$1 million. The School's policies shall name the Sponsor, Board and other parties as additional insureds if required in the Sponsorship Agreement.

A certificate of insurance evidencing such coverage shall be provided upon reasonable request. All insurance policies shall (a) be issued by companies in good standing and authorized to do business in the State and having an AM Best rating of A or better; (b) be written in standard form; and (c) as to the School's policies, provide that the policies may not be canceled except after thirty (30) days' written notice to the School and Sponsor.

(b) The Board's Responsibility. The Board shall pay for its directors and officers/school leaders 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 Board.

(c) Cooperation. Upon a Party's request, the other Party shall deliver to the requesting Party a copy of such policies and other written confirmation acceptable to the requesting Party, together with evidence that the insurance premiums have been paid. Each Party will comply with any information or reporting requirements applicable to or required by the other Party's insurer(s), to the extent reasonably practicable.

6. Budget.

(a) Projected Budget. Prior to the June 1 immediately preceding the next academic year, Manager, in collaboration with the School's fiscal officer shall prepare and provide the School with an annual proposed budget for the School illustrating the anticipated revenue and expenses incurred by the School.

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

(c) Approval. The projected budget shall be submitted to the School for written approval, which approval shall not be unreasonably withheld or delayed and in all cases shall be approved no later than June 30th immediately preceding the next academic year. The approved budget is the "Budget". The Budget may be amended from time to time at the recommendation of the fiscal officer and with the School's written approval, which approval shall not be unreasonably withheld or denied.

7. Fees.

(a) Continuing Fee. After retaining the first ninety thousand dollars (\$90,000) of the Qualified Gross Revenues and then paying the Sponsor Fee of two percent (2%) of the Qualified Gross Revenues, the School shall pay a monthly management, consulting and operation fee (the "Continuing Fee") to the Manager in the amount of ninety-eight percent (98%) of the Qualified Gross Revenues. As used in this Agreement, "Qualified Gross Revenues" shall mean the revenue per student (as "student" is determined by ODE) per month

received by the School from the State pursuant to the Ohio Revised Code. Qualified Gross Revenues do not include student fees, charitable contributions, PTA/PTO income, and other miscellaneous revenue, which shall be retained by the School 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 (collectively, "Supplemental Revenues"), shall be paid to the Manager in full within five (5) business days of receipt by the School, which the Manager will use in 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 School 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 or termination of the Term). If the School receives written notice of a review of the enrollment being completed by the State, the School shall provide Manager with a copy of the written notice upon receipt of same. If the review results in a finding that additional funding is owed to the School, the School shall make payment to Manager of ninety-eight percent (98%) of the amount received or such other amount due to Manager within five (5) business days after receiving an invoice from Manager for such amount. If the review results in a finding that the School owes money to the State, the School will work with the Manager to initiate an appeal of the State's determination in accordance with the provisions set forth in 3314.08(K) of the Ohio Revised Code or such other applicable provision. Manager shall select legal counsel and a strategy for the appeal and pay any and all expenses and costs related to the appeal including attorneys' fees. The School shall cooperate with Manager and selected legal counsel's efforts to appeal. Should the review result in the School owing money to the State, Manager agrees to contribute ninety-eight percent (98%) or such other amount overpaid to Manager.

(b) Payment of Costs. Except as otherwise provided in this Agreement, the Manager 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 Manager;
- curriculum materials and textbooks,;
- technology and other equipment such as computers, monitors and computer peripherals (excluding School-titled equipment);
- supplies;
- payments for the Administrative Facility;
- maintenance; and
- capital improvements required in providing the Model.

(c) Grants and Other Financial Assistance. From time to time and with the prior approval of the School, whenever possible, the Manager may apply for grants, discount programs, and other financial assistance in the School's name to obtain additional funding, improvements, School assets, services, and programs for the School, aid the School in fulfilling the terms of the Sponsorship Agreement, 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 School shall not unreasonably withhold or delay approval of any application, and shall be deemed to have approved any application submitted by the Manager

to the School unless the School gives specific written objections to the Manager within ten (10) business days after the School's receipt of notice of such submission.

Within five (5) business days following the School's receipt of reimbursement funds from the applicable funding source and following presentation of an invoice to the School by the Manager, the entire amount of such funds shall be paid to the Manager via electronic funds transfer. In the case of advance funded grants or other financial assistance, the School shall pay the Manager 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 School and its designated fiscal officer shall cooperate with the Manager to establish any necessary accounts, authorizations and procedures so that the School can automatically transfer the applicable funding to the Manager as soon as the funds are available in the School's accounts.

The School shall cooperate with the Manager to establish accounts and procedures for grant funding.

This Section 7 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.

(d) School Funds.

(i) After the payment of the Continuing Fee, the School shall retain all remaining Qualified Gross Revenues into a bank account that the Board controls (the "Board Bank Account"), which shall be maintained by the School's fiscal officer. From the Board Bank Account, the School shall pay the fees and expenses it decides to incur including, without limitation:

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

(ii) Any property purchased with funds from the Board Bank Account shall be titled in the name of School.

(e) Invoice Credits.

If as of June 30 of each year during the Term, the School's financial statement (excluding the effects of GASB 68) shows the School's total expenditures exceed the School's total revenues, then provided the School is not in material breach of this Agreement, Manager will issue a credit to the School to the extent required to maintain a positive fund balance during the Term to be

applied only to Manager's invoices ("Accel Invoice Credits"). To the extent permissible by law, the cumulative total of Accel Invoice Credits shall not exceed the lesser of \$20,000 or the total of the Continuing Fee due to Manager for the then-current fiscal year.

The Accel Invoice Credits are intended to help the School achieve a position whereby total assets of the School exceed total liabilities of the School through a concession on the amount of Continuing Fee due to Manager for the Continuing Fee in a fiscal year in consideration of the terms of this Agreement. The Accel Invoice Credits shall not be carried over as an ongoing liability of the School to Manager (in other words they shall be "forgiven" or "utilized" in the fiscal year for which they were issued); provided, however, that if the Board subsequently receives or recognizes revenue attributable to any prior fiscal year for which Manager has already issued Accel Invoice Credits, those subsequently received or subsequently-recognized funds attributable to a prior fiscal year shall be used to compensate Manager for fees accrued under this Agreement in such earlier fiscal year to the extent not prohibited by law.

8. Personnel and Training.

(a) Personnel Responsibilities. The Manager shall employ all personnel necessary to implement the Model. The Manager shall determine staffing levels and salaries, and select, evaluate, assign, discipline, transfer, and terminate personnel, consistent with the Sponsorship Agreement and State and federal law.

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

(c) Teachers. Subject to the terms of the Sponsorship Agreement, Manager 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 Manager shall select, employ, and supervise teachers and all such teachers shall report to the HOS. 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 Manager 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 Manager shall determine the number and functions of support staff, qualified in the areas required, as are required for operation of the School and by State law. The Manager may employ staff on a full- or part-time basis, at its sole discretion.

(e) Training. The Manager 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 Manager deems reasonable and necessary under the circumstances.

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

(g) Additional Programs. The School and the Manager may mutually decide to provide programs in addition to the Model. Additionally, the Manager and its 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 School. The School may, at its option, terminate this Agreement prior to its expiration upon the occurrence of any of the following events:

(a) The Sponsorship Agreement is not renewed by the Sponsor, and no similar contract is obtained with the Sponsor or any other authorized sponsor, and such termination shall be effective on the termination date of the Sponsorship Agreement;

(b) The Manager materially fails to comply with a specific and material requirement of this Agreement and does not cure the failure within thirty (30) days of receiving written notice of the failure from the School. However, if the Manager determines that the failure cannot be reasonably cured within thirty (30) days, and the Manager 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 Manager'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 School; or

(c) Termination shall be effective immediately upon notice if the Manager 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.

Termination by School will not relieve the School of any obligations to pay Manager amounts accrued, pending or outstanding as of the date of termination or liability for financial damages suffered by Manager as a consequence of the School's breach (or of Manager's termination as a result thereof) of this Agreement.

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

(a) The School fails to make any payment of money due to the Manager within five (5) business days of written notice from Manager to School that such payment is overdue, excluding overdue payments resulting from a payment dispute or delay between the School and any funding entity, and such termination shall be effective at the end of the then-current school year;

(b) The Manager suffers operating deficits related to the operation of this School for the academic year, provided that any notice of termination delivered by the Manager to

the School after the School opens for the school year shall not be effective until the end of that academic year;

(c) The School is in material default under any other condition, term or provisions of this Agreement (except late payment which is addressed above) or the Sponsorship Agreement, and the default remains uncured for thirty (30) days after the School receives written notice from the Manager or Sponsor, as applicable, of the default, and such termination shall be effective at the end of the then-current school year. However, if the default cannot be reasonably cured within thirty (30) days, and the School promptly undertakes or continues efforts to cure the material default within a reasonable time, the failure shall not be grounds for termination. Notwithstanding the foregoing, if the School's default creates an imminent danger to the health, welfare or safety of students, parents or others, the failure must be cured immediately upon notice from the Manager, and Manager may terminate the Agreement effective immediately if not so cured; or

(d) Any adverse and material change in local, State or federal funding for the School's students; provided that any notice of termination delivered to the School 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 Manager.

(e) Manager may terminate this Agreement effective immediately upon written notice to the School in the event that the School adopts or amends a policy, and the effect of such amendment or policy would reasonably be determined by Manager to materially increase the financial risk to Manager arising from its performance of its obligations hereunder, thus rendering Manager's performance economically unviable. In the event the School adopts such an adverse policy in the middle of the school year, Manager agrees to use its best efforts to complete its obligations for the then-current school year without waiving any rights and remedies hereunder.

(f) Manager may terminate this Agreement effective immediately upon written notice to the School in the event the School undergoes adverse change that makes the School financially unviable.

11. Change in Applicable Law or Termination of Sponsorship Agreement.

(a) **Notice.** If any federal, State or local law or regulation, court or administrative decision or Attorney General's opinion enacted or issued after the date hereof could reasonably be expected to have an adverse effect on the ability of either Party to carry out its obligations under this Agreement, such Party, upon written notice to the other Party, may request renegotiation of this Agreement. That notice may be given at any time following enactment of such change in applicable law, whether or not such change is effective on the date of such enactment or on a later date.

(b) **Renegotiation.** Renegotiation will be undertaken in good faith. If the Parties are unable to renegotiate and agree upon revised terms within thirty (30) days after notice of renegotiation, then this Agreement will be terminated effective at the end of the academic year in which such notice was given, unless earlier termination is necessary to protect the health, welfare, or safety of students.

(c) **Termination.** Manager may terminate this Agreement effective immediately upon written notice to School in the event Manager undergoes or is required to undergo a change that makes Manager, as determined in its sole judgment, financially unviable.

(d) **Termination of Sponsorship Agreement.** This Agreement will terminate upon the School ceasing to be a party to a valid and binding sponsorship agreement, provided, however, that this Agreement will continue to remain in effect until the date of termination or expiration of a Term (as applicable) if (i) the School has entered into a subsequent sponsorship agreement, and (ii) this Agreement has not been terminated pursuant to another provision of this Agreement. Termination pursuant to this paragraph will not relieve the School of any obligations to pay Manager amounts accrued, pending or outstanding as of the date of termination.

12. Duties Upon Expiration or Termination.

(a) Upon expiration or termination of this Agreement for any reason whatsoever, the School shall immediately pay to the Manager and Manager's Affiliates, as applicable, all amounts accrued, pending or outstanding to such person or entity and return to the Manager all materials purchased by the Manager pursuant to Section 3 above. Manager shall return to the School all student educational records and all School-titled equipment and material (if any). Notwithstanding the foregoing, in the event that the School closes for any reason, the Manager 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 12(a) shall survive any expiration or termination of this Agreement.

(b) **Survival.** The following provisions shall survive termination or expiration of this Agreement: Fees (to the extent they relate to amounts accrued for periods through the expiration or termination of this Agreement), Duties Upon Expiration or Termination, License, Proprietary Rights, Confidentiality and Non-Disclosure, Non-Solicitation, Injunctive Relief/Dispute Resolution, Notices, Severability, Waiver and Delay, Governing Law and Jurisdiction, Indemnification, Limitations on Liability, Waiver of Jury Trial, Amendment and Cumulative Effect, Assertion of Claims, Counterparts, Construction, and any provision that, based on its nature, should survive.

(c) **Reservation of Rights.** Each Party shall have all rights and obligations arising out of any breach of this Agreement prior to such expiration or termination.

13. License. The Manager developed and owns proprietary rights to the Model and the Protected Materials, as defined in Section 14 below. The Manager hereby grants the School a limited revocable license to use the Model and the Protected Materials in connection with the School during the Term. When this Agreement is terminated or expires, the license granted herein shall automatically terminate and the School shall immediately cease using the Protected Materials and the Model. This Section 13 shall survive any expiration or termination of this Agreement.

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

of the Manager. The School 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 Manager shall exclusively own all United States and international copyrights, trademarks, patents and all other intellectual property rights in the Protected Materials. The School may not use the Protected Materials for any purpose other than strictly within the scope of the license granted under Section 13 without the prior written consent of the Manager.

The School acknowledges that Manager owns the intellectual property rights and interests to the name "ACCEL™" (such name being a trademark of Manager). The School acknowledges and agrees that it has no intellectual or property interest or claims in the name and has no right to use the name unless expressly agreed to in writing by Manager. In accordance with all laws and regulations, Manager shall have the right to install signs on the Administrative Facility, including under the name of the School, describing the services provided by Manager or its assignees, including "Managed by ACCEL Schools" or "Educational Services Provided by ACCEL Schools." Upon any expiration or termination of this Agreement, those signs shall be promptly removed.

Immediately upon expiration or termination of this Agreement or upon the Manager's earlier request, the School shall deliver all originals and copies of the Protected Materials (regardless of the media on which they are stored) to the Manager, and shall delete all Protected Materials from all databases and storage media maintained by the School. This Section 14 shall survive any expiration or termination of this Agreement.

15. Relationship of the Parties.

(a) **Independent Contractors.** 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 or make either Party a general or special agent or fiduciary. Except as permitted in this Agreement or expressly authorized in writing, neither Party will:

- (i) make any express or implied agreement, warranty, guarantee or representation or incur any debt or obligation in the name of or on behalf of the other Party;
- (ii) represent that their relationship is other than independent contractors; or
- (iii) be obliged by or have any liability under any agreement or representation made by the other that has not been expressly authorized in writing.

(b) **Board Meetings.** Manager shall use commercially reasonable efforts to attend Board meetings in person and, if unable to attend in person, may attend them telephonically. The Board shall use reasonable efforts to schedule any regular, special or emergency Board meeting so that Manager has the opportunity to attend the same. The School shall provide Manager with notice of any regular, special or emergency meeting of the Board when it provides members of the Board with notice of the meetings.

(c) **No Related Parties or Common Control.** Manager will not have any role or relationship with the School that, in effect, substantially limits the School's ability to exercise its

rights, including cancellation rights, under this Agreement. Any director, officer or employee of Manager shall be prohibited from serving on the Board. None of the voting power of the Board will be vested in Manager or its directors, members, managers, officers, shareholders and employees, and none of the voting power of the Board or shareholders of Manager will be vested in the School or its directors, members, managers, officers, shareholders (if any) and employees. Furthermore, the School and Manager will not be members of the same control group, as defined in Section 1.150-(f) of the regulations under the Internal Revenue Code of 1986, as amended (or its successor) (the "Internal Revenue Code"), or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code.

16. 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, proprietary information, data, know-how or knowledge (including but not limited to curricula information, financial information, marketing information, cost information, vendor information, research, marketing plans, educational concepts and employee information), whether transferred in writing or other tangible form, or transferred orally, visually, electronically or by any other means, belonging to, or relating to the affairs of a Party or any Affiliates (the "Disclosing Party") or received through association with the Disclosing Party (collectively, "Confidential Information"), whether the Confidential Information was received before or after this Agreement. Confidential Information does not include information a Party receives (the "Receiving Party") and can show that it: (i) was known to the Receiving Party prior to its association with the Disclosing Party; (ii) had become available to the public other than by a breach of this Agreement by the Receiving Party; or (iii) was disclosed to the Receiving Party by a third person or entity that was not prohibited by a contractual, fiduciary or other legal obligation to the Disclosing Party from disclosing the Confidential Information.

The Receiving Party will use at least the same degree of care to prevent unauthorized use and disclosure of Confidential Information as that Party uses with respect to its own confidential information (but in no event less than a reasonable degree of care); use Confidential Information only in performance of its obligations under this Agreement; and not disclose or grant access to such Confidential Information to any third party except on a need-to-know basis and based on a confidentiality agreement with terms at least as strict as those contained in this Agreement. This Agreement does not prohibit the Receiving Party from disclosing Confidential Information it is legally compelled to disclose by oral questions, interrogatories, requests for information or documents, subpoenas, investigative demands, judicial orders or similar process. However, if the Receiving Party is legally compelled to disclose any Confidential Information, the Receiving Party covenants to use its best efforts to provide the Disclosing Party with prompt written notice (not more than forty-eight (48) hours after learning it will be compelled to disclose) so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event a protective order or other remedy is not obtained, or the Disclosing Party waives compliance with the provisions of this Agreement, the Receiving Party covenants to furnish only that portion of the Confidential Information that the Receiving Party is legally required to disclose, and to exercise its best efforts to obtain reliable assurance that the Confidential Information will be treated confidentially.

17. Non-Solicitation. During the Term and one (1) year thereafter, each Party agrees not to directly or indirectly solicit, recruit for employment, offer employment to, offer subcontracting

opportunities to, or otherwise employ or use the services of any current or former consultant or employee of the other Party or its Affiliate if that consultant or employee or former consultant or employee had been assigned to or worked under this Agreement.

(a) **Remedies.** In the event of such unpermitted use or engagement by a Party of such consultant or employee whether directly or indirectly, in contravention of the clause immediately above, the other Party, at its option, may seek:

(i) receipt of a sum equivalent to one hundred percent (100%) of that consultant, employee, former consultant or former employee's compensation during their first year with the new employer; or

(ii) any legal or equitable relief against such actions, including, but not be limited to, the remedies set forth in Section 18(a).

(b) **Not Considered Solicitation.** For the avoidance of doubt, newspaper, periodical or Internet-based listings of employment opportunities by a Party shall not be considered direct or indirect solicitation of a consultant, employee, former consultant or former employee of the other Party or Affiliates. However, such Party shall continue to be precluded from engaging or otherwise using a Party's and Affiliates' employee or former employee as provided for in this Section 17.

This Section 17 shall survive any expiration or termination of this Agreement. The one (1) year period of time in this Section will be extended by the amount of time that a Party engages in any activity in violation of this Agreement and while the aggrieved Party seeks enforcement of this Agreement. The School acknowledges and agrees that no past uncollected fees shall be issued by Manager to cover any penalty, damages or other relief owed by the School upon a violation of this provision.

18. Injunctive Relief and Dispute Resolution.

(a) **Injunctive Relief.** The School acknowledges that the covenants set forth in Sections "License", "Proprietary Rights", "Confidentiality and Non-Disclosure" and "Non-Solicitation" above are reasonable in scope and content and necessary to protect the Parties and their business interests. Each Party understands and agrees that the breach or threatened breach of Sections "License", "Proprietary Rights", "Confidentiality and Non-Disclosure" or "Non-Solicitation" of this Agreement would give rise to the other Party suffering irreparable harm which harm would be inadequately compensable in money damages. Accordingly, in addition to any other remedies available to it, the aggrieved Party shall be entitled to a restraining order and/or an injunction prohibiting the breach or threatened breach of any provision, requirement or covenant of this Agreement, without the requirement of posting a bond, in addition to and not in limitation of any other remedies which may be available in law or equity.

(b) **Dispute Resolution Procedure.** The Parties agree that they will attempt in good faith to settle any and all disputes arising in connection with this Agreement amicably in the ordinary course of business. If a dispute is not resolved in the ordinary course of business, the aggrieved Party will submit its dispute in writing to the Board's president and Manager's Chief Operating Officer or equivalent who shall have ten (10) business days to seek resolution of the

matter. The dispute resolution procedures described herein will be deemed complete upon the earlier to occur of the following:

(i) the Parties mutually agree in writing to discontinue the dispute resolution procedures herein; and

(ii) the relevant dispute is not resolved within the time periods provided herein.

(c) **Arbitration.** Subject to the provisions of Sections 18(a) and 18(d), any dispute arising out of or relating to this Agreement, including but not limited to the breach, termination or validity hereof, shall be settled by binding, confidential arbitration in accordance with the rules of JAMS with an arbitration panel consisting of a single arbitrator. The need for and scope of formal discovery will be determined by agreement of the Parties or, if the Parties are unable to agree, the arbitrator. The arbitrator will render an opinion/award within thirty (30) days from the date of the hearing, and the opinion/award shall be written and include findings of fact and conclusions of law. The Parties agree that an arbitration award ("Underlying Award") may be appealed pursuant to JAMS's Optional Arbitration Appeal Procedure ("Appeal Procedure") which the Parties adopt as it exists on the effective date of this Agreement; that the Underlying Award shall, at a minimum, be a reasoned award; and that the Underlying Award shall not be considered final until after the time for filing a notice of appeal pursuant to the Appeal Procedure has expired. Appeals must be initiated within thirty (30) days of receipt of an Underlying Award, as defined by JAMS, by filing a Notice of Appeal with the arbitrator. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§1-16, and judgment upon the award rendered by the arbitration panel or, if applicable, a decision rendered under the Appeal Procedure, may be entered by any court having jurisdiction thereof. The arbitrator is not empowered to award any damages or losses described in the "Limitations of Liability" Section and each Party expressly waives and foregoes any right to the damages or losses.

(d) **Exceptions.** Notwithstanding anything else in this Agreement, claims for monies due and claims for injunctive relief as provided for in Section 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 arbitration as set forth above.

(e) **Shared Fees and Expenses.** The fees and expenses of the arbitration panel should be shared equally by the Parties before the arbitration award is made. The arbitration award shall require the Party which does not prevail in the arbitration to reimburse the prevailing Party for the one half of the fees and expenses of the arbitration panel paid by the prevailing Party.

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. Either Party may change the address to which notice to it, or copies thereof, shall be addressed by giving notice thereof to the other Party hereto in conformity with the following. Any notice permitted or required by this Agreement shall be in writing sent via any of the following methods and shall be deemed to have been duly given or made the third day after mailing,

if sent by registered or certified mail, postage prepaid, return receipt requested; upon delivery, if sent by hand delivery with written confirmation; upon delivery, if sent by nationally recognized overnight carrier, with a record of delivery; or the day it is sent, if sent by facsimile (with written confirmation of transmission by sender's facsimile machine and a copy simultaneously sent by nationally recognized overnight courier) on a business day during normal business hours, or the next business day thereafter if sent on a non-business day or after normal business hours, to the other Party when addressed as follows:

If to Manager, to: Accel Online Ohio LLC
Attn: Chief Operating Officer
1650 Tysons Boulevard, Suite 600
McLean, VA 22102

With a copy to: Accel Schools LLC
Attn: General Counsel
1650 Tysons Boulevard, Suite 600
McLean, VA 22102

And legal@pansophiclearning.com

If to School, to: Gateway Online Academy of Ohio
Attention: Board President
c/o counsel below

Facsimile:

With a copy to: The Callender Law Group
Attn: Mike Garcar
100 East Broad Street, Suite 690
Columbus, OH 43215

Facsimile:

20. Severability. If any term, condition or provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either Party. Upon such determination that any term, condition or provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the extent that the transactions contemplated hereby are fulfilled to the extent possible.

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 a Party to seek a remedy for any noncompliance or breach by the other

Party be deemed to be a waiver by the first Party of its rights and remedies with respect to such noncompliance or breach.

22. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State without regard to conflict of law principles. Jurisdiction and venue are proper in the county in which the Administrative Facility is situated.

23. Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, Manager may, without prior written consent from or notice to the School, assign this Agreement to its Affiliates or in connection with a merger, acquisition, asset sale or corporate reorganization, and may without the consent of the School delegate the performance of but not responsibility for any duties and obligations of Manager hereunder to any affiliate, independent contractors, experts or professional advisors.

24. Independent Activity. The Parties understand that Manager's business is to operate and manage schools in multiple states. As such, the Parties agree that Manager and its Affiliates may operate and manage other, including charter schools, in multiple states including the State.

25. Representations and Warranties.

(a) Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party as follows:

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

(ii) The Party 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 Party 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.

(iii) The Party 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.

(iv) There are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined would have a material adverse effect on its ability to perform its obligations under this Agreement.

(b) School's Representations and Warranties. School further represents and warrants to Manager that:

(i) The School has authority under the Ohio Revised Code, and other applicable laws and regulations to contract with a private entity to perform the services under this Agreement and to incur the obligations provided for herein;

(ii) The School will adopt any and all further resolutions or expenditure approvals required for the execution of this Agreement, provided, however, that with regard to expenditures, such resolutions and approvals shall be required only if the relevant information is available to the School and it has sufficient funds in the approved Budget to pay for such expenditures;

(iii) The School is not in breach of the terms of the Sponsorship Agreement; and

(iv) The School shall not, after the Effective Date, incur any indebtedness outside the ordinary course of business or enter into any factoring or other debt arrangement without the prior written consent of the Manager.

(c) THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AS TO THE GRADES OR TEST RESULTS TO BE OBTAINED BY THE STUDENTS. WITHOUT LIMITING THE FOREGOING, MANAGER AND ITS AFFILIATES MAKE NO GUARANTEES AND SHALL NOT BE LIABLE FOR NON-ACCESIBILITY OF ANY WEBSITE, SYSTEM OR PROGRAM, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS, REGARDLESS OF THE REASON.

26. Indemnification of the Parties.

(a) **Indemnification of Manager.** To the extent permitted by State law, the School will indemnify, defend and save and hold Manager and its Affiliates and all of their respective employees, officers, directors, subcontractors and agents (collectively, “Representatives”) harmless against any and all third-party penalties, claims, demands, suits or other forms of liability (any of which are a “Claim”) (including reasonable attorney’s fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct or negligence by the School or its Representatives; noncompliance by any of them with any agreements, covenants, or undertakings of the School contained in or made pursuant to this Agreement; any misrepresentations of the School contained in or made pursuant to this Agreement; any action or omission by the School or its Representatives that results in injury, death or loss to person or property; and any violation by them of State or federal law. In addition, the School will reimburse Manager, its Affiliates and their Representatives for any and all reasonable legal expenses and costs associated with the defense of any third-party Claim. Further, the Parties acknowledge and agree that Manager and its Affiliates shall have no liability or responsibility for activities of the School that occurred prior to the Start Date, including, but not limited to, management of the School by any third parties. This indemnification obligation shall survive the termination or expiration of this Agreement.

(b) **Indemnification of School.** Manager will indemnify, defend and save and hold the School and its Representatives harmless against any and all third-party Claim (including

reasonable attorney's fees and costs) that may arise out of, or by reason of, any wrongdoing, misconduct, or negligence of Manager, its agents, employees or assigns or noncompliance by Manager with any agreements, covenants, or undertakings of Manager contained in or made pursuant to this Agreement, and any misrepresentation of Manager contained in or made pursuant to this Agreement. In addition, Manager will reimburse the School for any and all reasonable legal expenses and costs associated with the defense of any third-party Claim. This indemnification obligation shall survive the termination or expiration of this Agreement.

(c) Defense. A Party seeking indemnification under this Section 26 (the "Indemnatee") shall give notice to the indemnifying Party (the "Indemnitor") of a Claim or other circumstances likely to give rise to a request for indemnification, promptly after the Indemnatee becomes aware of the same. The Indemnitor, with Indemnatee's consent which shall not be unreasonably withheld, conditioned or delayed, shall be afforded the opportunity to undertake the defense of and to settle by compromise or otherwise any Claim for which indemnification is available under this Section 26. The Indemnitor's selection of legal counsel is subject to the Indemnatee's approval which approval shall not be unreasonably withheld, conditioned or delayed. If an Indemnitor so assumes the defense of any Claim, the Indemnatee may participate in such defense with legal counsel of the Indemnatee's selection and at Indemnatee's expense. Indemnitor may not settle any Claim against Indemnatee or otherwise consent to any final order or judgment regarding same if such settlement, final order or judgment includes an admission of wrongdoing in Indemnatee's or its Affiliate's name unless Indemnatee or its Affiliate, as applicable, consents in writing. If the Indemnitor, upon the expiration of the fifteen (15) days after receipt of notice of a Claim by the Indemnatee under this Section 26, has not assumed the expense of the defense thereof, the Indemnatee may thereupon undertake the defense thereof on behalf of, and at the risk and expense of, the Indemnitor, with all reasonable costs and expenses of such defense to be paid by the Indemnitor.

27. Limitations on Liability.

(a) Immunities and Statutory Limitations. The School will assert all immunities and statutory limitations of liability in connection with any third-party Claims arising from its operations, and will not waive any immunities or limitations without the prior written consent of Manager. Notwithstanding this Section 27, to the fullest extent permitted by law, the School will waive the defense of governmental immunity in any dispute between the Parties.

(b) MAXIMUM OBLIGATION. EXCEPT AS TO THE PARTIES' INDEMNIFICATION OBLIGATIONS, TO THE EXTENT PERMITTED BY LAW EACH PARTY'S MAXIMUM LIABILITY AND OBLIGATION TO THE OTHER PARTY AND THE EXCLUSIVE REMEDY FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING NEGLIGENCE, RELATING TO THIS AGREEMENT SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DIRECT DAMAGES UP TO THE AMOUNT OF FEES PAID UNDER THIS AGREEMENT TO MANAGER DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE A CLAIM IS MADE.

(c) ECONOMIC DAMAGES. EXCEPT IN CONNECTION WITH ITS INDEMNITY OBLIGATIONS EXPRESSLY SET FORTH HEREIN, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY LOST SAVINGS, LOST PROFITS, LOST SALES, BUSINESS INTERRUPTIONS, DELAY DAMAGES, OR LOST OR DESTROYED DATA, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(d) REASONABLENESS. NEITHER OCCASIONAL, SHORT TERM INTERRUPTIONS OF SERVICE WHICH ARE NOT UNREASONABLE UNDER COMPARABLE INDUSTRY STANDARDS NOR INTERRUPTIONS OF SERVICE RESULTING FROM EVENTS OR CIRCUMSTANCES BEYOND MANAGER'S REASONABLE CONTROL SHALL BE CAUSE FOR ANY LIABILITY OR CLAIM AGAINST MANAGER HEREUNDER, NOR SHALL ANY SUCH OCCASION RENDER MANAGER IN BREACH OF THIS AGREEMENT.

28. 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 dispute, inability to procure services or materials, failure of power, riots, terrorism, 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 time for performance shall be extended for a period equivalent to the period of the delay. This Section shall not excuse the School from prompt payment of any amounts required by the terms of this Agreement. As soon as practicable, the Party experiencing a force majeure event shall: (a) notify the other Party about the event, and (b) resume performance of its obligations under this Agreement upon conclusion of the event.

29. Amendment and Cumulative Effect. This Agreement will not be altered, amended, modified or supplemented except in a written document approved by the Board and signed by both the President or other authorized officer of the School and an authorized officer of Manager. The rights and remedies of the Parties hereto are cumulative and not exclusive of the rights and remedies that they otherwise might have now or hereafter, at law, in equity, by statute or otherwise.

30. Waiver of Jury Trial. The Parties each waive any right to trial by jury in any litigation involving this Agreement, including breach, interpretation or performance thereof.

31. Assertion of Claims. No Party shall bring any claim relating to this Agreement beyond one year after the date on which the Party became aware, or should reasonably have become aware, of the facts giving rise to any alleged liability of the other Party and, in any event, no later than two (2) years after (a) the last day of the Term, or (b) the earlier termination of this Agreement for any reason. The provisions of the preceding sentence shall not apply to claims for payment of amounts due under the "Fees" Section of this Agreement.

32. 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. Each Party may rely on facsimile signature pages as if such facsimile pages were originals.

33. Construction. The Parties acknowledge and agree that this Agreement is the result of extensive negotiations between the Parties and their respective counsel, and that this Agreement shall not be construed against either Party by virtue of its role or its counsel's role in the drafting hereof. Paragraph captions or headings of various articles, sections and other subdivisions are used herein for convenience of reference only and are not intended to be used, nor shall they be used, in interpreting this instrument or modifying, defining or limiting any of the terms or provisions hereof.

34. Integration, Entire Agreement, and Third-Party Beneficiaries. This Agreement (together with any exhibits, schedules or documents referred to herein) sets forth all of the promises, covenants, agreements, conditions and undertakings of the Parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, negotiations, inducements or conditions, express or implied, oral or written, if any, between the Parties with respect to the subject matter hereof. Except as limited by the Assignment sections of this Agreement, this Agreement shall be binding upon and is for the exclusive benefit of the Parties, Affiliates, successors and permitted assigns, and not for the benefit of any third party, nor shall it be deemed to confer or have conferred any rights, express or implied, upon any other third party including a relationship in the nature of a third party beneficiary or fiduciary.

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

SCHOOL
Gateway Online Academy of Ohio

By: Jonathan Petrea
Jonathan Petrea (Mar 14, 2022 21:11 EDT)

Print Name: Jonathan Petrea

Its: Board Chairman

MANAGER
Accel Online Ohio LLC

DocuSigned by:
By Ronald Packard
2CC4B9E0F900481...

Print Name: Ronald Packard

Its: Chief Executive Officer