



PRELIMINARY AGREEMENT FOR A START-UP COMMUNITY SCHOOL LOCATED WITHIN THE STATE OF OHIO

This preliminary agreement (the “Preliminary Agreement”) is intended to confirm the tentative understandings that have been reached by The Thomas B. Fordham Foundation (the “PROSPECTIVE SPONSOR”) and the [_____] Governing Authority regarding sponsorship of the proposed school, [_____] (the “Community School”) by the PROSPECTIVE SPONSOR.

This Preliminary Agreement is an expression of intent only, and does not set forth all of the matters upon which agreement must be reached in order for the prospective sponsorship relationship to be consummated. The respective rights and obligations of the PROSPECTIVE SPONSOR and DEVELOPER remain to be defined in the definitive community school contract (the “Community School Contract”) and related documents (the terms and provisions of which will be subject to approval by the PROSPECTIVE SPONSOR and DEVELOPER), and the parties do not intend to be legally bound or otherwise to incur any obligations with respect to the proposed sponsorship arrangement until such time (if ever) as the Community School Contract is executed and delivered.

Article I. Purpose

This agreement is established pursuant section 3314.02 of the Ohio Revised Code and indicates the intention of the PROSPECTIVE SPONSOR to enter negotiations with the DEVELOPER that might culminate in the PROSPECTIVE SPONSOR signing a Community School Contract with the DEVELOPER for a new start-up community school to be located within the [_____] School District.

Article II. Responsibilities of the SPONSOR

The PROSPECTIVE SPONSOR hereby agrees to enter into good faith negotiations with the DEVELOPER to open a Community School consistent with the information provided to the PROSPECTIVE SPONSOR by the DEVELOPER. In accordance with section 3314.03 of the Ohio Revised Code, the PROSPECTIVE SPONSOR will negotiate with the DEVELOPER to reach agreement on a Community School Contract. Nothing in this Preliminary Agreement should be construed to obligate the PROSPECTIVE SPONSOR to sponsor the proposed school, only to negotiate with the DEVELOPER in good faith.

Article III. Responsibilities of the DEVELOPER

The DEVELOPER hereby agrees to finalize plans for the Community School as required under the Ohio Revised Code (the “Revised Code”) and as might be required by the PROSPECTIVE

SPONSOR. These plans include, but are not limited to (i) establishing the community school as a nonprofit corporation under Chapter 1702 of the Revised Code; (ii) establishing a governing authority for the school; (iii) developing by-laws and governance structure for the proposed community school, (iv) developing a detailed five-year financial plan for the proposed community school, and (v) developing a complete academic plan for the proposed community school. The DEVELOPER shall comply with all the provisions of Chapter 3314 of the Revised Code in carrying out this Preliminary Agreement.

In carrying out this Preliminary Agreement, the DEVELOPER shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, age or disability in employment.

Article IV. Time for Performance

This Preliminary Agreement is binding upon both parties upon execution by the DEVELOPER and shall remain in effect for one hundred eighty (180) days subject to cancellation of this Preliminary Agreement as described hereunder in Article VIII. If the Preliminary Agreement has expired prior to the parties reaching agreement on a Community School Contract, a successor agreement may be entered into at the discretion of both parties. Upon the expiration of this Preliminary Agreement, there is no obligation for either party to enter into a successor agreement.

Article V. Governing Law

The Preliminary Agreement shall be governed and interpreted according to the laws of the State of Ohio.

Article VI. Assignment

Neither this Preliminary Agreement, nor any rights, duties, or obligations described herein shall be assigned by any party hereto without prior written consent of the PROSPECTIVE SPONSOR and the DEVELOPER.

Article VII. Changes or Modifications

The Preliminary Agreement constitutes the entire agreement among the parties and any changes or modifications to this Preliminary Agreement shall be made and agreed to in writing.

Article VIII. Cancellation of Agreement

The PROSPECTIVE SPONSOR reserves the right to cancel this Preliminary Agreement upon written notice to the DEVELOPER at any time.

Article IX. Disclaimer

This Preliminary Agreement shall not be construed as the PROSPECTIVE SPONSOR'S commitment or agreement to sponsor the new start-up community school proposed by the DEVELOPER, nor does this Preliminary Agreement obligate the PROSPECTIVE SPONSOR to enter into a Community School Contract with the DEVELOPER to sponsor a new start-up community school at any future date.

ACKNOWLEDGED AND AGREED:

On behalf of PROSPECTIVE SPONSOR

Date

On behalf of DEVELOPER

Date