

CEO TRANSITION PLAN AGREEMENT

1. This Confidential CEO Transition Plan (“Agreement”) is made and entered into by and between IDEA Public Schools (“IDEA”) and Mr. Tom Torkelson (“Torkelson”). IDEA and Torkelson are each a “Party” to this Agreement, and are collectively referred to as the “Parties.”
2. Torkelson has announced his desire to implement an orderly transition from employment and the Board of Directors of IDEA Public Schools has agreed to this orderly transition. It is the express intent of the Parties that the contracts/agreements between IDEA Public Schools and Torkelson are each and all hereby terminated and superseded by this Agreement. Torkelson, effective upon execution of this Agreement, is no longer CEO and Executive Chair of IDEA Public Schools. The Board of Directors of IDEA Public Schools and Torkelson have mutually agreed to this Agreement and termination of existing contracts/agreements. Each Party has been advised by legal counsel and has entered into this Agreement willingly and understanding each and all of the terms herein.

Upon execution of this Agreement, Torkelson shall be granted the titles of “Founder” and “CEO Emeritus” of IDEA Public Schools, which shall be honorary titles bestowed in virtue of Torkelson having founded, built and lead IDEA Public Schools from its inception and for twenty years of unparalleled student success and achievements. Torkelson shall have no job duties and shall no longer be an employee upon execution of this Agreement, but shall continue supporting the CEO of IDEA Public Schools through a reasonable transition period as requested by the CEO and subject to the terms and conditions of this agreement.

3. Subject to the express conditions provided within this Agreement, IDEA Public Schools agrees to provide the consideration described herein to Torkelson, and on Torkelson’s behalf, in exchange for Torkelson agreeing to the terms hereof and executing this Agreement.

Transition. In order to facilitate the transition and transfer of institutional knowledge, Torkelson may be asked to consult with and support the CEO of IDEA Public Schools and agrees to be available to the CEO of IDEA Public Schools as needed on a reasonable basis from time to time. Torkelson shall not act as an agent of IDEA Public Schools and shall not incur any expense on behalf of IDEA Public Schools or have any authority to bind or obligate IDEA Public Schools. This transition plan may be shared with select members of IDEA Public Schools’ administration as determined necessary by the Board in support of the necessary operations of IDEA Public Schools.

4. IDEA and Torkelson agree that this Agreement is entered into in order to avoid a protracted dispute process, to avoid extensive legal expenses and costs including litigation costs that may otherwise be incurred, to preserve needed philanthropy to IDEA and to resolve any and all disputes with finality. The Board, considering the significant revenue concerns, the costs of a protracted dispute process, legal expenses, and costs and uncertainty of any litigation that is hereby avoided, finds that the consideration provided to Torkelson in this

Agreement is fair, reasonable and not excessive considering the totality of circumstances; and that it is in the best interest of students of charter schools served and supported by IDEA. As consideration for the terms contained in this Agreement and specifically including Paragraphs 4-9 herein, IDEA Public Schools shall pay Torkelson \$900,000, which generally may be allocated as follows: \$400,000 within 10 business days of this Agreement with all legally required withholdings and deductions and \$500,000 within 10 business days of December 31, 2020, which latter amount shall be reported on an IRS Form 1099.

a. Torkelson Release: It is understood by the Parties that this Agreement is entered into to resolve any and all disputes and to avoid further expense and delays. Therefore, Torkelson, in exchange for good and valuable consideration received or to be received by him, on behalf of himself and his successors, heirs, executors, administrators, assigns, attorneys, agents, spouse, representatives, and any other person claiming, in whole or in part, by, through or under them, jointly and individually, hereby unconditionally and forever releases, waives, acquits and discharges IDEA Public Schools and its Board of Directors corporately and individually, and any and all affiliated entities (except IPS Enterprises, Inc.), as well as IDEA's officers, directors, administrators, employees, agents, servants, attorneys, predecessors, successors, assigns, insurers, donors, partners, affiliates, and all other persons or entities acting on behalf of IDEA Public Schools (hereinafter collectively "IDEA Releasees"), from any and all claims, damages, demands, losses, causes of action, and/or suits of any kind or character whatsoever, whether existing in the past, present or in the future, known or unknown, arising out of, directly or indirectly attributable to, or in any manner connected with Torkelson's employment with IDEA Public Schools from the beginning of time up through the effective date of this Agreement, including, but not limited to, any known or unknown claims under any federal, state or local constitution, law, statute, regulation, policy, common law, or any other vehicle through which Torkelson could seek or obtain any form of damages or relief against IDEA Releasees, which, therefore, precludes Torkelson from filing or having filed, directly or indirectly, any form of lawsuit, legal action, complaint, grievance, charge of discrimination and/or retaliation, report of possible or actual wrongdoing, whistleblower report, administrative action, agency action, or any other process. This includes Torkelson agreeing to refrain from filing or to rescind or withdraw any administrative actions, grievances, record requests or other legal processes whatsoever against IDEA Public Schools, IDEA Releasees, any affiliates or partner schools of IDEA Public Schools. The Parties acknowledge that as of the date of this Agreement there are no pending or contemplated claims or actions against or potential with respect to IDEA Public Schools or the Releasees. Torkelson further represents that he has not assigned any claims related to his employment or this Agreement. **Torkelson recognizes and understands that he will receive an IRS 1099 statement and related tax statements for the consideration received pursuant to this Agreement and that he will be required to file individual tax returns and to pay taxes in accordance with all provisions of applicable Federal and State law. Torkelson hereby promises and agrees to indemnify IDEA for any damages or expenses, including attorney's fees, and**

legal expenses, if any, incurred by IDEA or its Board of Directors as a result of Torkelson's failure to make required tax payments.

b. **IDEA Release:** IDEA, in exchange for good and valuable consideration received or to be received by it, including its successors, heirs, executors, administrators, assigns, employees, insurers, directors, affiliates, attorneys, agents, representatives, and any other person claiming, in whole or in part, by, through or under any of them, jointly and individually (hereinafter the "IDEA Releasers"), hereby unconditionally and forever release, waive, acquit and discharge Torkelson, individually and in his role as CEO, from any and all claims, damages, demands, losses, causes of action, and/or suits of any kind or character whatsoever, whether existing in the past, present or in the future, known or unknown, arising out of, directly or indirectly attributable to, or in any manner connected with Torkelson's employment with IDEA Public Schools from the beginning of time up through the effective date of this Agreement, including, but not limited to, any known or unknown claims under any federal, state or local constitution, law, statute, regulation, policy, common law, or any other vehicle through which the IDEA Releasers could seek or obtain any form of damages or relief against Torkelson, which, therefore, precludes the IDEA Releasers from filing or having filed, directly or indirectly, any form of lawsuit, legal action, complaint, grievance, charge, report of possible or actual wrongdoing, whistleblower report, administrative action, agency action, or any other process. This includes the IDEA Releasers agreeing to refrain from filing or to rescind or withdraw any administrative actions, grievances, record requests or other legal processes whatsoever against Torkelson. The IDEA Releasers acknowledge that as of the date of this Agreement there are no pending or contemplated investigations, claims or actions against Torkelson with respect to any event, conduct, occurrence or work performed by Torkelson. The IDEA Releasers further represent that they have not assigned any claims related to Torkelson's employment or any of the matters covered by this release. **The IDEA Releasers recognize and understand that there may be tax consequences to IDEA as a result of payments made under this Agreement, and that the IDEA Releasers promise and agree to indemnify Torkelson, only to the extent permitted by Texas law, for reasonable attorney's fees, if any, incurred by Torkelson as a result of IDEA's failure to make required tax payments or file proper tax returns only with respect to tax years 2020 and 2021 and solely arising from the payments made under this Agreement.**

5. The Parties agree that this Agreement supersedes and replaces any and all prior oral or written agreements, arrangements, or understandings between the Parties relating to the subject matter contained herein, unless expressly described herein. To avoid confusion, any other prior oral or written agreement, arrangement or understanding between the parties is terminated and of no effect.
6. The Parties further agree to the following conditions of non-disparagement:
 - A. IDEA and the IDEA Releasers will not in any manner, directly or indirectly, personally or through third parties, engage in any conduct or communications

designed or intended to harm, disparage or defame the goodwill or reputation of Torkelson by any means.

- B. Torkelson will not in any manner, directly or indirectly, personally or through third parties, engage in any conduct or communications designed or intended to harm, disparage, harass, retaliate or defame the goodwill or reputation of IDEA or the IDEA Releasors by any means.
 - C. While the Parties agree to not publicize this Agreement, nothing herein shall preclude IDEA from complying with any disclosure requirement imposed by the Texas Public Information Act, chapter 552 of the Texas Government Code, or other applicable law, but IDEA shall exert reasonable lawful efforts to protect the Agreement as determined by IDEA.
 - D. The scope of the non-disparagement provisions in Paragraph 6 (and its sub-parts) herein extend to all forms of communications to include, but not limited to, written, oral, electronic, social media, email, text, and online communications.
 - E. The Parties agree that the conditions in Paragraph 6 (and its sub-parts) are continuing obligations that survive beyond the effective date of this Agreement.
7. Except as required by law and in accordance with lawfully issued subpoena, state or federal administrative orders or other related legal process, the IDEA Releasors and Torkelson agree to take no action which is intended to, or would reasonably be expected to, make allegations of wrongdoing against, make allegations of inappropriate or unlawful associations against, harm the reputation of, or would reasonably be expected to lead to unwanted or unfavorable publicity to any of them.
8. The Parties each understand and agree that failure to comply with any material precondition, condition, obligation, or requirement in this Agreement, including conditions, obligations, or requirements that survive beyond the effective date of this Agreement, will constitute a breach of this Agreement, for which the non-breaching Party may seek and recover injunctive relief, damages, costs, attorneys' fees, and other remedies through a lawsuit.
9. INTENTIONALLY DELETED
10. **Older Workers Benefit Protection Act Acknowledgment:** Pursuant to the requirements of the Older Worker's Benefit Protection Act, Torkelson also acknowledges:
- (A) Torkelson is specifically waiving any and all claims under the Age Discrimination in Employment Act (ADEA).
 - (B) Torkelson should carefully read all of the provisions of this Agreement, acknowledges that he has and that Torkelson understands the contents of this

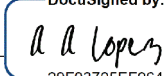
- Agreement and that he has the right to discuss any and all aspects of this matter with an attorney of his choice and that he has done so;
- (C) Torkelson is not waiving any of rights or claims that may arise after this Agreement is executed;
 - (D) Torkelson's waiver of all rights or claims contained in this Agreement is in exchange for good and valuable consideration, the receipt of which is expressly acknowledged;
 - (E) Before Torkelson signs this document, Torkelson should consult with an attorney prior to execution of this Agreement. Torkelson acknowledges that he has done so;
 - (F) Pursuant to the Older Worker Benefits Protection Act, if applicable, Torkelson has up to and including 21 days within which to consider this Agreement before executing it (or by executing this Agreement represents that s/he has knowingly and voluntarily elected to reduce this time period); and,
 - (G) Pursuant to the Older Worker Benefits Protection Act, if applicable, Torkelson may, for a period of seven days following the execution of this Agreement, revoke this Agreement ("Revocation Period") by providing written notice to IDEA Public Schools, and the Agreement shall not become effective or enforceable until the Revocation Period has expired. Torkelson agrees to provide written notice of any revocation to Schulman, Lopez, Hoffer & Adelstein, LLP, ATTN: Joe Hoffer at jhoffer@slh-law.com and 845 Proton Road, San Antonio, Texas 78258. If Torkelson revokes this Agreement, any and all originals or copies of this Agreement must be returned to IDEA Public Schools at the time of revocation. Torkelson agrees that if he revokes this Agreement within the seven-day period, he will not be entitled to receive the consideration contemplated in this Agreement.
 - (H) Torkelson accepts the terms of this Agreement as fair and equitable, under all circumstances. Torkelson further acknowledges and agrees that by signing this Agreement, he has consulted with his attorney, he has executed this Agreement knowingly and voluntarily, and he has been given a reasonable period of time to consider this Agreement.
11. **Law of State to Govern:** The validity, enforceability and interpretation of any provision of this Agreement will be determined and governed by the substantive and procedural laws of the State of Texas. The Parties further agree that any action or proceeding brought to enforce the terms and conditions of this Agreement shall be maintained in Hidalgo County, Texas.
12. **Severability:** In the event that any provision of this Agreement is found to be invalid, illegal, or unenforceable in any jurisdiction, then in lieu of such invalid, illegal, or unenforceable provision there shall be added automatically as a part of this Agreement a valid, legal, and enforceable substitute provision that most nearly reflects the original intent of the Parties, and all provisions hereof shall remain in full force and effect and shall be liberally construed in order to carry out the intentions of the Parties hereto as nearly as may be possible. Such invalidity, illegality, or unenforceability shall not affect any other provisions contained in this Agreement.

13. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one instrument. This Agreement is effective on the date of execution by both Parties ("effective date"). It may not be amended except by a writing signed by both of the Parties.
14. IDEA agrees that it will request and use reasonable efforts to add or include Torkelson to be named as an additional insured on all IDEA policies that could provide investigative, defense or indemnity benefits for conduct that occurred prior to the effective date of this Agreement, irrespective of when the claim is made. IDEA does not guarantee or promise that its insurance carriers will add or include Torkelson to any such policies.
15. Each Party signing below agree that this Agreement may be executed by electronic signature and that it is the legal equivalent of their manual/handwritten signature on this Agreement. Each Party also agrees that no certification authority or other third-party verification is necessary to validate their respective E-Signature, and that the lack of such certification or third-party verification will not in any way affect the enforceability of their E-Signature.

TORKELSON

 Mr. Tom Torkelson

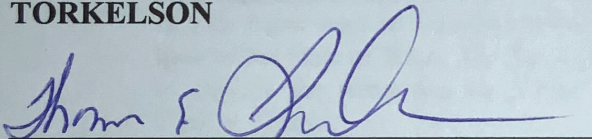
 Date
IDEA Public Schools

DocuSigned by:

 By: 29F93795EF96412...
 TITLE, Chairman of the Board of Directors

 4/17/2020

 Date

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TORKELSON



Mr. Tom Torkelson

4/17/2020

Date

IDEA Public Schools

DocuSigned by:



B: 29F93795EF96412...

A. A. Lopez

TITLE, Chairman of the Board of Directors

4/17/2020

Date