

**SECOND AMENDMENT TO THE CHARTER AGREEMENT
BETWEEN THE SCHOOL BOARD OF PALM BEACH COUNTY AND
ACADEMY OF CREATIVE EDUCATION, INC.**

This SECOND AMENDMENT to the Charter Agreement ("Charter") is made between The School Board of Palm Beach County, Florida, ("School Board") and Academy of Creative Education, Inc. ("Creative Education").

RECITALS

WHEREAS, the School Board has entered into a Charter Agreement with Creative Education to operate a Charter School in Palm Beach County; and

WHEREAS, Creative Education was attempting to obtain an adequate facility in which to operate the School and was unsuccessful in their efforts; in addition, Creative Education received an initial deferral to open as a Charter School which is referenced in the First Amendment to their Charter Agreement, and

WHEREAS, the School Board and Creative Education agree to a Second Amendment to the Charter Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the School Board and Creative Education hereby agree as follows:

1. That since Creative Education is unable to obtain a facility that complies with all the building, fire and safety codes and requirements for FY 06-07, the Parties hereby agree that this would constitute "good cause" and the Charter would be immediately terminated as of September 20, 2006.
2. Any other requirements for termination would be waived and Creative Education hereby agrees to not appeal this basis for termination.
3. Termination of this Charter would not prohibit any members of the Founding Board, the Governing Board or the School's community from submitting an application for a future charter school, as requested in the correspondence received from Creative Education on or about August 10, 2006, a copy of which is attached hereto as Exhibit "A".
4. Furthermore, termination of this Charter does not release any liability of any actions by the Founding Board, the Governing Board members and employees of Creative Education.
5. In the event of any conflict between the terms of this Amendment and the Charter, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the Parties hereby agree to this Second Amendment to the Charter and it is effective on the date last signed by all parties.

The School Board of Palm Beach County, Florida

Academy of Creative Education, Inc.

By: _____
Thomas E. Lynch, Chairman

By: 
Lena Berchielli, Chairperson

Date: _____

By: _____
Arthur C. Johnson, Ph.D.,
Superintendent

Date: _____

Date: 8/18/06

Approved as to Form & Legal Sufficiency

By: A. Denise Sagerholm
A. Denise Sagerholm, Esq.
Associate Counsel

Date: 8/18/06

ACADEMY OF CREATIVE EDUCATION

August 10, 2006

Ms. Juanita Edwards, Director
Department of Charter Schools
3300 Forest Hill Blvd, C206
West Palm Beach, Florida 33406-8513

RE: ACE School Opening for the 2006-7 school year

Dear Ms. Edwards:

The Board of the Academy of Creative Education has not been successful in locating appropriate facilities to open the school for the 2006-7 school year, therefore, we have not applied for grant money.

The ACE Board is still very interested and enthusiastic at the prospect of an academy of creative education as outlined in our Letter of Intent. We will continue the search for appropriate facilities and then hopefully, re-apply to open ACE in the future.

If you have any questions, please call me at (561) 304-7863 or Fax (561) 963-2768 to my attention.

Thank you.

Sincerely,



Lena Berchielli

EXHIBIT "A"