

**NOTICE OF TERMINATION TO THE CHARTER AGREEMENT
BETWEEN THE SCHOOL BOARD OF PALM BEACH COUNTY AND
PALM BEACH MILITARY ACADEMY CHARTER SCHOOL**

This NOTICE OF TERMINATION to the Charter Agreement ("Charter") is made between The School Board of Palm Beach County, Florida, ("School Board") and Palm Beach Military Academy, Inc., ("Palm Beach Military Academy").

RECITALS

WHEREAS, the School Board entered into a Charter with Palm Beach Military Academy to operate a Charter School in Palm Beach County on or about April 21, 2005 and the term of the Agreement was for three years, ending on June 30, 2008; and

WHEREAS, Palm Beach Military Academy is unable to continue operating due to its financial condition, and

WHEREAS, the School Board and Palm Beach Military Academy agree to terminate the Charter Agreement because of the financial situation of the School;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the School Board and Palm Beach Military Academy hereby agree as follows:

1. Since Palm Beach Military Academy is unable to financially continue to operate and its Governing Board on November 19, 2006 voted to voluntarily dissolve the School, a copy of this Voluntary Dissolution is attached hereto as Exhibit "A"; the Parties hereby agree that this would constitute "good cause" and the Charter would be immediately terminated as of November 19, 2006.
2. Any other requirements for termination would be waived and Palm Beach Military Academy hereby agrees to not appeal this basis for termination.
3. Furthermore, termination of this Charter does not release any liability of any actions by both the Governing Board members and employees of Palm Beach Military Academies.
4. In the event of any conflict between the terms of this Notice Of Termination and the Charter, the terms of this Notice of Termination shall control.

IN WITNESS WHEREOF, the Parties hereby agree to this Notice of Termination to the Charter Agreement and it is effective on the date last signed by all parties.

The School Board of Palm Beach County, Florida

Palm Beach Military Academy, Inc.

By: _____
Thomas E. Lynch, Chairman

By: _____,
President

Date: _____

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

Approved for Legal Sufficiency
By: _____

Date: _____

Dated: _____