

FULL AND FINAL RELEASE OF ALL CLAIMS

WHEREAS, on or about October 8, 2009, the undersigned, ANNETTE HERNANDEZ ("PLAINTIFF"), filed a lawsuit in the District Court for the County of Pueblo, State of Colorado, Case No. 2009CV1904 (hereinafter the "LAWSUIT"), asserting claims against the defendants, CESAR CHAVEZ ACADEMY, INC.; CESAR CHAVEZ ACADEMY, INC. BOARD OF DIRECTORS; DOLORES HUERTA PREPARATORY HIGH, INC.; DOLORES HUERTA PREPARATORY HIGH BOARD OF DIRECTORS (collectively "the ENTITY DEFENDANTS"); DENNIS L. FEUERSTEIN; ALEX ARAGON; DONIELLE GONZALES; PABLO GONZALES; ALFREDO VARGAS; MICHAEL ENGLE; JEFF ROSS; and RICHARD MESTAS (collectively the "INDIVIDUAL DEFENDANTS"), for breach of contract, violation of the covenant of good faith and fair dealing, unjust enrichment, wrongful termination in violation of public policy, slander per se, abuse of process, assault and battery, civil conspiracy, and extreme and outrageous conduct, seeking damages and losses arising out of PLAINTIFF's termination on October 2, 2009, and events related and temporally proximate to said termination in September and October of 2009; and

WHEREAS, on or about December 2, 2009, PLAINTIFF filed a Charge of Discrimination with the U.S. Equal Employment Opportunity Commission, EEOC Charge No. 541-2010-00492 (hereinafter the "CHARGE"), against CESAR CHAVEZ SCHOOL NETWORK, and subsequently perfected said Charge, asserting that she had been discriminated against in violation of Title VII of the Civil Rights Act in the course of her termination on October 2, 2009, and events related and temporally proximate to said termination in September and October of 2009; and

WHEREAS, the ENTITY DEFENDANTS, the INDIVIDUAL DEFENDANTS, and CESAR CHAVEZ SCHOOL NETWORK (collectively "DEFENDANTS") deny the allegations made by PLAINTIFF with respect to her claimed damages and would, if the litigation were to proceed, raise various affirmative defenses in response to the above-referenced Lawsuit and Charge; and

WHEREAS, DEFENDANTS expressly deny any liability and deny both the causation and the extent of the damages claimed and allegedly suffered by PLAINTIFF; and

WHEREAS, the parties are now desirous of amicably and fully and finally resolving this dispute between them;

NOW, THEREFORE, in consideration of the payment of the sum of FORTY-THREE THOUSAND TWO HUNDRED FIFTY-ONE DOLLARS AND SIXTY CENTS (\$43,251.60), the receipt and adequacy of which is hereby acknowledged and in the fashion more fully described below, PLAINTIFF hereby agrees to dismiss the LAWSUIT with

prejudice, and to request the dismissal of and to withdraw her CHARGE; and

PLAINTIFF hereby compromises any and all claims of every kind and nature against the ENTITY DEFENDANTS, the INDIVIDUAL DEFENDANTS, CESAR CHAVEZ SCHOOL NETWORK, CESAR CHAVEZ ACADEMY-DENVER, CESAR CHAVEZ ACADEMY-CENTRAL, CESAR CHAVEZ ACADEMY-NORTH, or the CCSN GOAL ACADEMY; or the officers, directors and board members, insurers and reinsurers, successors and assigns, employees and agents, subrogees and assigns, attorneys and legal representatives of any of the above-referenced entities (specifically excluding Dolores Atencio, Esq., Loretta Martinez, Esq., and the law firm Garcia Calderon Ruiz, LLP); or any and all organizations, entities or schools that are a part of, subsidiary to, or affiliated with any of the above-referenced entities (collectively the "RELEASEES"), and releases any and all past, present or future claims or demands (specifically excluding any future claims or demands PLAINTIFF may have for defense and/or indemnity as a former officer, director and/or employee under any insurance policy purchased by or otherwise in effect for any RELEASEE at any time during PLAINTIFF's former employment with and/or professional involvement with any RELEASEE), obligations, damages, including any medical bills and expenses, causes of action or suits of any nature whatsoever, including administrative claims, and also including claims for attorneys fees and costs, on account of any injuries, known or unknown, both to person and property which have resulted or may in the future develop and which relate directly or indirectly to the claims asserted in the LAWSUIT, the CHARGE, and to PLAINTIFF'S employment with DEFENDANTS and the other RELEASEES and which arose during the employment relationship, and/or which relate directly or indirectly to PLAINTIFF's termination on October 2, 2009, and events related and temporally proximate to said termination in September and October of 2009; and

In consideration for the sums paid and identified herein, PLAINTIFF agrees to request that the EEOC dismiss the CHARGE upon receipt of the consideration specified, and hereby agrees to file all necessary paperwork with the EEOC to effectuate the withdrawal and dismissal of PLAINTIFF's CHARGE within seven (7) days of the date of this Agreement. PLAINTIFF hereby waives PLAINTIFF'S right to receive any monetary, economic or equitable relief of any kind by or through the EEOC as a consequence of PLAINTIFF'S filing of the CHARGE with the EEOC.

DEFENDANTS and the other RELEASEES identified above hereby compromise any and all claims of every kind and nature against PLAINTIFF, and release any and all past, present or future claims, demands, obligations, damages, including any medical bills and expenses, causes of action or suits of any nature whatsoever, including administrative claims, and also including claims for attorneys fees and costs, on account of any injuries,

known or unknown, both to person and property which have resulted or may in the future develop and which relate directly or indirectly to any claims asserted in the LAWSUIT and/or to PLAINTIFF'S employment with DEFENDANTS and which arose during the employment relationship, and/or which relate directly or indirectly to PLAINTIFF's termination on October 2, 2009, and events related and temporally proximate to said termination in September and October of 2009; and

WITHOUT LIMITING the generality of the foregoing terms, the scope of releases under this agreement specifically includes all claims for breach of contract and any other claim under the common law of the State of Colorado, including claims for tort, promissory estoppel, breach of implied contract, wrongful discharge, breach of any covenant of good faith and fair dealing, intentional infliction of emotional distress, outrageous conduct, defamation, injunctive relief, compensatory damages, punitive damages, equitable relief, attorneys fees and costs and any claims under the following statutes: The Colorado Anti-Discrimination Act; The Americans With Disabilities Act (ADA); Title VII of the Civil Rights Act of 1964, as Amended; The Civil Rights Act of 1991; the Civil Rights Acts of 1866 and 1871; The Equal Pay Act; The Fair Labor Standards Act; The Family and Medical Leave Act; The National Labor Relations Act; The Occupational Safety and Health Act (OSHA); The Rehabilitation Act; Executive Order 11246; The Colorado Labor Peace Act; The Colorado Wage Claim Act; The Worker Adjustment and Retraining Notification Act; The Employee Retirement Income Security Act; The Age Discrimination in Employment Act (ADEA); The Older Workers' Benefit Protection Act; The Rehabilitation Act of 1973 and any other state and/or federal statutes.

FURTHER, the parties specifically understand that this is a general release of any and all possible claims between PLAINTIFF and DEFENDANTS/RELEASEES. PLAINTIFF understands and agrees that her acceptance of the above-mentioned sum is in full accord and satisfaction of any and all such possible claims. The parties expressly waive and assume the risk of any and all claims for future damages or damages which may exist as of this date, but which are presently unknown, whether through ignorance, oversight, error, negligence or otherwise, and which, if known, would materially affect their decision to enter into this Full and Final Release of All Claims. It is the specific intent of the parties hereto to release each other from any claims which might arise from the allegations set forth in the LAWSUIT, the CHARGE, and PLAINTIFF'S employment, whether those claims or damages are presently known or unknown, whether presently foreseeable or unforeseeable, which either may have occurred in the past and yet be unknown or which may occur in the future and therefore be incapable of prediction; for the amount of the settlement takes into account and constitutes consideration for the assumption of such risks. The parties acknowledge that a portion of the consideration recited above is therefore being exchanged for this voluntary and knowing assumption of risk of such unknown, unaccrued,

unforeseeable and/or undiscovered claims, damages and losses and that under no circumstances shall any party to this matter seek to reopen or present further claims against any other party to this matter at any time. This Full and Final Release of all Claims shall not be construed to release or waive any rights or claims which arise as a result of conduct occurring after it is executed.

IT IS EXPRESSLY UNDERSTOOD AND AGREED that the above-referenced DEFENDANTS and RELEASEES, and all other parties being dismissed or released by virtue of this Agreement, do not admit any liability to PLAINTIFF arising out of the incidents underlying the LAWSUIT and the CHARGE, but rather, they expressly deny any such liability. Furthermore, this Full and Final Release of All Claims is entered into in compromise of doubtful and disputed claims for the purpose of avoiding further litigation, and this Agreement shall not be construed as an admission of liability on the part of DEFENDANTS or other RELEASEES.

Although PLAINTIFF is an exceptional educator whose strong leadership was pivotal in helping the schools be successful, the parties agree that due to the tension, turmoil and hard feelings created by recent events, it is in the best interest of the parties that they not attempt to resume the prior relationship. Accordingly, PLAINTIFF SPECIFICALLY AGREES, COVENANTS AND WARRANTS that PLAINTIFF'S employment relationship with DEFENDANTS and the other RELEASEES is forever concluded and ended. PLAINTIFF will not seek and will not be eligible for future employment or reinstatement with DEFENDANTS or the other RELEASEES. In the event PLAINTIFF should seek and/or obtain employment with any of the DEFENDANTS or RELEASEES, the DEFENDANTS or RELEASEES shall have the right to reject and/or terminate PLAINTIFF with full and absolute immunity from any claims arising out of such action. This paragraph shall not apply to CESAR CHAVEZ ACADEMY-DENVER, so long as CESAR CHAVEZ ACADEMY-DENVER shall remain independent of and unaffiliated with the DEFENDANTS.

PAYMENT TO PLAINTIFF will be broken down into three separate payments, payable upon execution of this Agreement. Payments will be sent to PLAINTIFF via United States Mail, to the address provided by PLAINTIFF'S counsel to DEFENDANTS' counsel.

The first payment will be made payable to PLAINTIFF'S counsel Messner & Reeves, LLC in the amount of FOURTEEN THOUSAND EIGHT HUNDRED SEVENTY-FIVE DOLLARS (\$14,875.00). Both PLAINTIFF and her counsel will receive a Form 1099 reflecting this payment.

The second payment will be made payable to PLAINTIFF in the amount of NINETEEN THOUSAND ONE HUNDRED TWENTY-FIVE DOLLARS AND EIGHTY-SIX CENTS (\$19,125.86). This payment will be made in accordance with a W-4 form to be completed by PLAINTIFF, and will be subject to any and all appropriate federal, state and local withholdings. PLAINTIFF will receive a W-2 Form reflecting this payment.

The third payment will be made payable to PLAINTIFF in the amount of NINE THOUSAND TWO HUNDRED FIFTY DOLLARS AND SEVENTY-FOUR CENTS (\$9,250.74) in settlement of any and all claims for non-economic damages, including, among other non-economic damages, damages for "emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses" as contemplated under 42 U.S.C. § 1981a(b)(2&3) and within the meaning of the common law of Colorado. This payment will be reported to PLAINTIFF on a Form 1099.

PLAINTIFF understands that, in any event, it is exclusively PLAINTIFF'S decision to characterize the settlement proceeds in the manner described in the three paragraphs above. DEFENDANTS and the other RELEASEES identified above cannot and do not make any representations as to the tax consequences of this settlement on anyone. In the event any state and/or federal authority determines any additional portion of the payments to PLAINTIFF pursuant to this Full and Final Release of All Claims are taxable as wages, PLAINTIFF agrees to be solely responsible and liable for the payment of all such taxes, including any applicable interest and penalties. In the event that DEFENDANTS are directed to pay any taxes, interest or penalties as a result of not withholding taxes on monies paid to PLAINTIFF, and/or that there are any errors or irregularities arising out of the W-4s submitted by PLAINTIFF, PLAINTIFF agrees to indemnify DEFENDANTS, and the other RELEASEES identified above, and hold them harmless from any and all liability, including any reasonable attorney's fees, caused by the characterizations set forth herein, if PLAINTIFF is provided timely notice of the Taxes and has the ability to defend and challenge any such Taxes and/or related assessments.

PLAINTIFF SPECIFICALLY COVENANTS AND WARRANTS that there are no outstanding claimants, lienholders or other entities, including health care providers, and other treatment providers or health insurers who have asserted liens or claims against any potential proceeds that may have resulted or have resulted from the above-referenced civil action. It is the intention of all parties to this settlement and Full and Final Release of All Claims that the settlement includes all amounts which might potentially be asserted as liens or claims by any health care providers or health insurers and that the settlement proceeds be used to satisfy any such lien or claim for any expenses arising from the Incident. This shall be the sole responsibility of PLAINTIFF, not the RELEASEES. In the event that any such claimant or lienholder, as described above, should assert a claim against DEFENDANTS or

any of the other RELEASEES or an interest in the proceeds of any settlement or judgment that may be obtained, which is being released and waived in this Full and Final Release of All Claims, PLAINTIFF agrees to defend, hold harmless, reimburse and/or indemnify DEFENDANTS and any of the RELEASEES for any amounts or damages incurred, including reasonable attorneys fees and costs.

PLAINTIFF SPECIFICALLY COVENANTS AND WARRANTS that she has not assigned or transferred to any person or entity any portion of any claim, or any interest in the proceeds of any settlement or judgment that may be obtained, which is being released and waived in this Full and Final Release of All Claims, except as her attorneys Messner & Reeves, LLC may have an interest. In the event of such assignment or transfer, PLAINTIFF agrees to defend, hold harmless, reimburse and/or indemnify DEFENDANTS or any of the RELEASEES for any amounts or damages incurred, including reasonable attorneys fees and costs.

IT IS EXPRESSLY UNDERSTOOD AND AGREED, and PLAINTIFF further covenants and agrees, that any and all Medicare, Social Security, hospital, medical insurance coverage subrogation claims and/or any and all other type of liens or interest that is and/or could be claimed by any person and/or entity, will be fully paid, satisfied and released from the settlement proceeds paid herein, in trust, unless and until such time as said liens and/or claims have been fully paid, satisfied or released. In this regard, PLAINTIFF agrees to indemnify and hold harmless the RELEASEES, their insurance carriers, their attorneys and all others in privity with them, from any claim by, through and/or under Claimant including, but not limited to, any direct claim by Medicare and/or Social Security for reimbursement of any funds paid by them relating to the injuries and claims arising from the accident in question.

IT IS UNDERSTOOD AND AGREED that PLAINTIFF shall not publicize, disclose, discuss or comment upon the terms and conditions of this Full and Final Release of All Claims in any manner to any persons or entities, other than PLAINTIFF'S immediate family, attorneys and accountants. It is agreed that PLAINTIFF may disclose the terms of this settlement in response to a subpoena, but only after giving DEFENDANTS ten (10) business days advance notice (through Kelly Moore, Director of Human Resources, or another representative of the ENTITY DEFENDANTS if Ms. Moore is unavailable) of the subpoena to enable DEFENDANTS to attempt to obtain any necessary or appropriate protective orders. IT IS FURTHER UNDERSTOOD AND AGREED that any of the above-described individuals with whom PLAINTIFF is permitted to discuss the terms and conditions of the settlement will, before the terms and conditions are communicated, agree to abide by the terms of this confidentiality provision. In response to any inquiries about the resolution of this matter, PLAINTIFF shall simply state "It has been resolved and I cannot

talk about it," and nothing more. PLAINTIFF understands and acknowledges that DEFENDANTS have no intent to publicize, disclose, discuss or comment upon the terms and conditions of this Full and Final Release of All Claims, but as public entities and their representatives, they cannot be so bound.

PLAINTIFF AGREES, ACKNOWLEDGES AND ADMITS that any breach of the confidentiality provisions herein would cause substantial and actual injury to DEFENDANTS and the other RELEASEES, the amount of which, because of the very nature of such injury, would be difficult to prove. Accordingly, any breach by PLAINTIFF of the confidentiality provisions contained herein shall entitle DEFENDANTS to liquidated damages in the amount of FIVE THOUSAND DOLLARS (\$5,000). PLAINTIFF further agrees, acknowledges and admits that this sum is reasonable under the circumstances and does not constitute a penalty. This liquidated damages clause shall not preclude DEFENDANTS from pursuing independent or alternative remedies for breach of this Full and Final Release of All Claims.

PLAINTIFF and the ENTITY DEFENDANTS mutually agree, going forward, to use all reasonable efforts to avoid public statements which are unnecessarily critical, derogatory or injurious toward one another to the best of their abilities, within the intent of this clause, which is to allow all parties to move forward amicably and conduct their respective affairs freely without being hampered by their prior employment relationship or any issues arising therefrom. Any dispute regarding this provision shall not trigger application of this Agreement's binding arbitration and prevailing party costs and fees provision.

IT IS EXPRESSLY UNDERSTOOD AND AGREED that no promise, statement, representation, endorsement or agreement not expressed herein has been made or offered, that this Full and Final Release of All Claims contains the entire agreement between the parties hereto and that the terms hereof are contractually binding in nature and not mere recitals.

PLAINTIFF HEREBY ACKNOWLEDGES that the RELEASEES have advised PLAINTIFF to consult with legal counsel, that she has had an opportunity to review this Full and Final Release of All Claims with counsel, that the terms of this Agreement have been carefully read and are fully understood and knowingly, willingly and voluntarily accepted for the purpose of making a full and final compromise and settlement of any and all claims against the DEFENDANTS/RELEASEES, disputed or otherwise, relating to the LAWSUIT and CHARGE and PLAINTIFF's employment with DEFENDANTS, and for the express purpose of precluding forever any further or additional claims against DEFENDANTS/RELEASEES arising out of the above-described Incident. PLAINTIFF

further declares that PLAINTIFF has been provided with a reasonable period of time in which to consider this settlement.

THIS FULL AND FINAL RELEASE OF ALL CLAIMS is the entire agreement between the parties and cannot be modified except in writing signed by all parties. This Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado. The parties agree that any disputes arising out of this Agreement, specifically excluding any disputes arising out of the Agreement's non-disparagement provision, shall be subject to binding arbitration at the Judicial Arbitrator Group ("JAG") in Denver, Colorado, under such terms as JAG may require for the resolution of any such dispute. The substantially prevailing party in any such arbitration shall be entitled to his, her or its reasonable costs and attorney's fees.

IN THE EVENT OF ANY DEFAULT on the payments described in this agreement, which shall be made either by or on behalf of the ENTITY DEFENDANTS, PLAINTIFF shall be entitled to seek the defaulted upon amount, plus the legal rate of interest at eight (8) percent from the date of default on all amounts in default, against the ENTITY DEFENDANTS through the process described in the preceding paragraph.

Should any provision of this Full and Final Release of All Claims be declared or determined by any court of competent jurisdiction to be wholly or partially invalid or unenforceable, the remaining provisions shall not be affected thereby and the unenforceable provision shall be deemed not to be a part hereof.

Finally, the ENTITY DEFENDANTS agree to issue the press release attached hereto contemporaneously with the dismissal of the DEFENDANTS from the LAWSUIT.

THIS FULL AND FINAL RELEASE OF ALL CLAIMS may be signed in identical counterparts, all of which, together, shall constitute one and the same instrument, and such counterparts may be transmitted by telecopy or other electronic means, such electronic copy having full force and effect, as if it were an original.

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Jefferson County, Colorado, this 16 day of November 2010.

Approved as to form and content



Bruce A. Montoya
David W. Feeder II
Messner & Reeves LLC
1430 Wynkoop St., Ste. 300
Denver, CO 80202
Attorneys for Plaintiff

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Pueblo, Colorado, this 19th day of NOV., 2010.

For herself individually and for the ENTITY DEFENDANTS

Donielle Gonzales

Donielle Gonzales
President, CCA Board of Directors
President, DHPH Board of Directors

STATE OF COLORADO)
)ss.
COUNTY OF Pueblo)

Subscribed and sworn to before me by DONIELLE GONZALES, this 19th day of NOV., 2010.

WITNESS my hand and official seal.

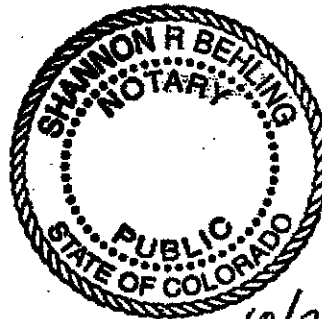
My commission expires: 10/26/2013

Shannon R. Belling
Notary Public

[SEAL]

Approved as to form and content

William A. Rogers III
Brendan L. Loy
Wood, Ris & Hames, P.C.
1775 Sherman St. #1600
Denver, CO 80203
Attorneys for Defendants



My Commission Expires 10/26/2013

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Pueblo, Colorado, this 18 day of November 2010.


DENNIS L. FEUERSTEIN

STATE OF COLORADO)
COUNTY OF Pueblo)ss.

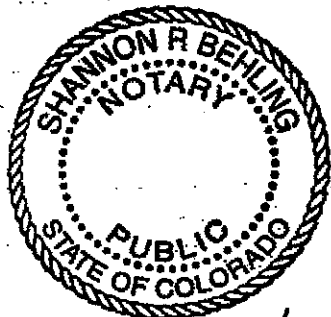
Subscribed and sworn to before me by DENNIS L. FEUERSTEIN, this 18 day of November 2010.

WITNESS my hand and official seal.

My commission expires: 10/26/2013


Notary Public

[SEAL]



My Commission Expires 10/26/2013

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Pueblo, Colorado, this 18 day of November 2010.

Alex Aragon
ALEX ARAGON

STATE OF COLORADO)
)ss.
COUNTY OF Pueblo)

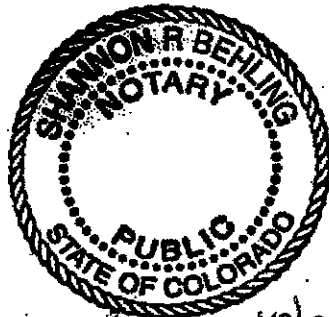
Subscribed and sworn to before me by ALEX ARAGON, this 18 day of November 2010.

WITNESS my hand and official seal.

My commission expires: 10/26/2013

Shannon Behling
Notary Public

[SEAL]



My Commission Expires 10/26/2013

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Pueblo, Colorado, this 19th day of November 2010.

Michael Engle
MICHAEL ENGLE

STATE OF COLORADO)
)ss.
COUNTY OF Pueblo)

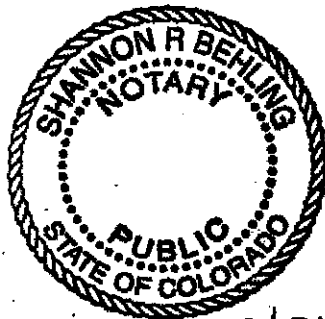
Subscribed and sworn to before me by MICHAEL ENGLE, this 19th day of NOV., 2010:

WITNESS my hand and official seal.

My commission expires: 10/26/2013

Shannon R. Behling
Notary Public

[SEAL]



My Commission Expires 10/26/2013

IN WITNESS WHEREOF, the undersigned has executed this Full and Final Release of All Claims at Pueblo, Colorado, this 19 day of November, 2010.

[Signature]
RICHARD MESTAS

STATE OF COLORADO)
COUNTY OF Pueblo)ss.

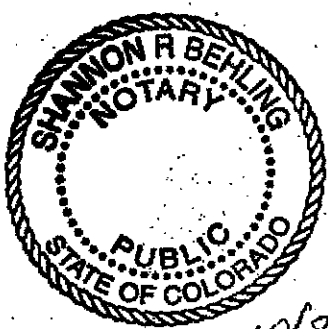
Subscribed and sworn to before me by RICHARD MESTAS, this 19th day of Nov., 2010.

WITNESS my hand and official seal.

My commission expires: 10/26/2013

[Signature]
Notary Public

[SEAL]



My Commission Expires 10/26/2013

PRESS RELEASE
November 24, 2010

We, the Cesar Chavez Academy and Dolores Huerta Preparatory High School Boards of Directors, hereby announce that our dispute with Dr. Lawrence Hernandez, Mrs. Annette Hernandez and Mrs. Velia Rincon has ended in an amicable resolution agreed to by all parties.

We believe the creation of CCA, DPH and the Cesar Chavez school network has had a dramatic and positive life-changing impact on the community of Pueblo and its children, and we are profoundly thankful to the schools' founders, Dr. and Mrs. Hernandez, for the central role they played in making the schools what they are today. Their strong leadership was pivotal in helping the schools to be successful. Dr. Lawrence Hernandez, Mrs. Annette Hernandez and Mrs. Velia Rincon are exceptional educators who challenged the status quo in this state and region in order to improve the lives of all children, including the poor and minority students.

We regret the impact that this controversy has had on our schools, staff, students, family and the broader community. We also regret any harm to the personal and professional reputations of the Hernandez family and Mrs. Velia Rincon that may have occurred. We wish them all the best of success going forward.

Signed on behalf of the CCA and DPH Boards, and individual Defendants Dennis L. Feuerstein, Alex Aragon, Pablo Gonzales, Alfredo Vargas, Michael Engle, Jeff Ross, Richard Mestas, and Donielle Gonzales.

By:


Donielle Gonzales, Board President

Date:

11-19-2010