Chancellor Updates

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MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this 13th day of June, [2012] ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and Main Event Management Corporation ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1 Organization and Good Standing. Vendor is duly organized, validly existing and in good standing under the laws of the State of Texas, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 Conflicts; No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has disclosed in writing any existing conflicts of interest involving EAA, and that it will disclose in writing to EAA any conflicts that arise during the term of this Agreement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. Vendor has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to LAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding LAA as an additional insured with respect to this Agreement

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding LAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

~~(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.~~

(b) Upon request by LAA, Vendor shall provide LAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to LAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER LAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations. The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

Main Event Management Corporation
2727 Allen Parkway, Suite 1600
Houston, TX 77019
Attention: Randy Hook

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By: _____
J. Wm. Covington, Ed.D.

Title: _____
Chancellor

Date: _____

[INSERT VENDOR NAME]

By: _____
Randall T. Hack

Title: Vice President & Managing Director

Date: 6/15/12

Exhibit A

Service Order

Main Event Management/MODEL-NETICS Program

Quantity	Description	Unit Cost	Total Cost
20	Model-Netics Course Book Kit	$300.00	$6,000.00
	Shipping and handling		To be determined

Legal Approval **Date**

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this **10th** day of **July**, **[2012]** ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and **M. Carol Maher, PhD** ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

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Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

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Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

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(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to EAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Unless otherwise specified in this Agreement, each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

M. Carol Maher, PhD
19901 Drew Rd.
Centralia, MO 65240

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
J. Wm. Covington, Ed.D.

Title:_____
Chancellor

Date:_____

M. CAROL MAHER, PhD

By:_____
M. Carol Maher, PhD

Date: **July 10, 2012**

Exhibit A

Service Order

Model Netics and Leadership Training – Michigan Education Achievement Authority

- Instruction and training will take place during the 2012 – 2013 school year.
- Instructional Rate: ($1500/day waived) $750/day agreed by M. Carol Maher; number of days as requested by EAA
- Travel:
  - Airline charge
  - Hotel charge
  - Mileage @ $.52/mile (travel to airport)

_____ _____

Legal Approval **Date**

Chancellor Updates

B

SAS Campus Drive
Cary, NC 27513
Attn: Karyn Long
Fax: (919) 677 4444

EVAAS® Service Agreement No. _____

Education Achievement Authority of Michigan	3022 West Grand Blvd., Suite 14-652	Detroit, MI 48202	("Customer")
Customer Name	**Street Address**	**City, State ZIP**	

In exchange for Customer paying the charges and any applicable taxes arising under this EVAAS Service Agreement ("Agreement"), SAS Institute Inc. ("Consultant" or "SAS") agrees to provide the services ("Services") and resulting educational achievement analyses and reports (collectively, "Reports") described in the Agreement or in signed Services Specification Forms attached to the Agreement, ("Services Specification Forms"), and the licenses defined below.

1. **Description of Services, Deliverables, Licenses.**

1.1. Consultant shall use SAS software products ("Software") to provide EVAAS analyses and web reporting showing analyses of student achievement data for potential summative and formative use from test data. All Reports will be presented to Customer via electronic media, as further described in the Web Delivery Addendum, or in another mutually agreeable format as set forth in an applicable Services Specification Form.

1.2 The Reports, Consultant's time, and the licenses granted herein shall be the only deliverables hereunder.

1.3 Consultant grants Customer a limited, nontransferable, nonexclusive, royalty-free license to (i) use the Web Site (as defined in the Web Delivery Addendum, attached hereto and incorporated by reference) to access any Reports delivered to Customer under this Supplement, (ii) receive the benefits of the Software, via the Reports, used by Consultant to produce the Reports, and (iii) use any Reports delivered to Customer under this Agreement. Customer may use and copy the Reports in connection with work involving third parties in furtherance of Customer's achievement analyses. Consultant will only release the Reports to individuals designated in writing by Customer. Consultant retains exclusive ownership of the Software, Web Site and Reports, including any intellectual property rights embodied therein. The license granted under subsection (i) above shall terminate three (3) years from the Effective Date unless otherwise extended by Customer's purchase of additional EVAAS Services. The licenses granted under subsections (ii) and (iii) above are perpetual. Nothing herein grants Customer a license to access or use the Software.

2. **Description of Available Services**

2.1 Customer may obtain Reports on district, school, teacher and student levels. Consultant produces Reports through longitudinal merging, warehousing and analysis of all student achievement data provided by Customer.

2.2 Reports show analyses of student achievement data for potential summative and formative use from test data. Consultant performs multivariate, longitudinal analyses using all available data for each student. Depending on the levels of data Customer provides, Consultant may prepare Reports for summative use to display the value added at the district, school, and teacher levels for the populations of students served, and Consultant may prepare reports for formative use to estimate the value a district, school, or teacher adds for a particular achievement group of students. Consultant may also prepare individual student projections to future academic milestones within the limitations of the data provided by the Customer.

2.3 Individual teacher-level value-added reports are available if student records are linked to the teacher(s) who provided the instruction.

2.4 Consultant will provide further optional customized analyses, presentations, and on-site consulting on a time-and-materials basis upon Customer's written request as set forth in an applicable Services Specification Form, or Customized Services Specification Form.

2.5 All Reports will be presented to Customer via electronic media, or in a format otherwise agreed to by the parties.

3. **Service and Report Delivery**

3.1 **Deliverables and Services Period.** To commence the Services, the parties will complete the applicable Services Specification Form which will include a description of the desired Services and applicable fees. Upon Customer's acceptance of the Services Specification Form, Customer shall then submit to Consultant any data required for analyses. Customer shall submit clean usable data, formatted in a non-proprietary format. Upon receiving the necessary data and determining the data

provided is ready for analysis, Consultant will perform the requested Services. Consultant will make reasonable efforts to deliver Reports and Services to Customer within the time frames ("Services Period") and specifications set out in each Services Specification Form. Completed Reports will be delivered approximately eight (8) weeks after Consultant's receipt of data which is ready for analysis. Customer acknowledges this is only an estimate, and delivery dates may change due to condition of data, resource constraints, and other factors. If data clean-up necessitates changes to the Services or Reports and results in additional fees beyond those specified in the Services Specification Form, Consultant shall issue a new Services Specification form for the Customer to sign. If Customer refuses to sign the new Services Specification Form to authorize the additional fees within fifteen (15) days of issuance, Consultant shall have no obligation to perform Services and may terminate that Services Period. Consultant will notify Customer of anticipated significant schedule changes which may affect delivery dates.

3.2 **Acceptance.** Prior to the estimated end of each successive Services Period, Consultant will deliver the Reports to Customer and complete the Services for that Services Period. The Reports and Services shall be deemed accepted and the Services Period shall end unless within ten (10) working days of delivery, Customer gives Consultant written notice of any unacceptable aspects of the Reports ("Customer Notice"). Consultant will remedy the unacceptable aspects of the Reports within thirty (30) days of receipt of Customer Notice. Customer must accept or reject in writing Consultant's remedy within ten (10) days of receipt of it. Once Customer accepts the Services or Reports, or Consultant's remedy, the Services Period shall end. If Customer refuses to accept the Services or Reports, then Consultant may terminate the Services Period and refund any fees paid by Customer for the subject Services without further obligation to Customer.

3.3 **Additional Services.** If Customer wishes additional or different Reports or Services from those listed on a Services Specification Form, Customer will submit to Consultant a new Services Specification Form or the parties will complete a Customized Services Specification Form describing the additional Reports and Services requested along with any applicable fees.

Consultant will warehouse Customer's data for a three (3) year period beyond the last applicable Services Period. Customer may recommence the Services at any time within this three (3) year period by providing new data to Consultant and a new Services Specification Form. If Customer notifies Consultant in writing to stop warehousing data, Consultant will do so.

4. **Fees for Services and Reports**

4.1 All Reports at the district and school levels will be produced at the rate specified in the applicable Services Specification Form. The fee applies regardless of the number of tests students take, provided the data is obtained from Customer either longitudinally merged or with each student having a unique numeric identifier consistent over years so that the longitudinal merging can be easily completed. After Consultant completes analysis of a specific set of data, if Customer subsequently submits additional data requiring a new analysis, then an additional fee will be applied for the new analysis, and this will constitute a new Report. The additional charge does not apply to teacher identifications provided by Customer prior to initial teacher Report processing. Customer may provide student data in its entirety with a follow-up file for teachers.

4.2 If teacher-level Reports are requested, then there will be an additional charge at the rate specified in the applicable Services Specification Form. Fees for customized analyses will also be specified on the Customized Services Specification Form.

4.3 If on-site consulting is requested by Customer, then the consulting fee will be at the per day rate for each on-site day and for each required travel day (not to exceed two) listed by Consultant in the applicable Services Specification Form or Customized Services Specification Form. All reasonable travel and living expenses will also be estimated in the applicable Services Specification Form and then invoiced at actual cost at the completion of the Services Period. Consultant's invoice will document the days of Services provided.

4.4 Total fees due will be reflected in Consultant's invoices, and payment shall be due net thirty (30) days.

4.5 Customer may, by written notice to Consultant, designate third parties to pay fees on Customer's behalf. Upon such designation, Consultant will send its standard notices regarding payment to the third party only. Authorization to pay fees creates no contractual relationship with the third party, nor does it authorize access to or use of the Service by the third party unless otherwise specified by Consultant.

5. **Confidential Information**. Consultant agrees to use reasonable efforts to prevent any Confidential Information from being revealed to third parties for a period of three (3) years from the date of disclosure. As used herein, the term "Confidential Information" shall mean only that information of Customer provided to Consultant in connection with and related to the Services. This restriction does not apply to information which is: (1) generally available to the public; (2) released by Customer without restriction; (3) independently developed or acquired by

Consultant; or (4) known to Consultant prior to receipt from Customer. In the event the Confidential Information must be disclosed pursuant to judicial order or requirement of law, Consultant shall make reasonable efforts to notify Customer of such order or requirement. For the purposes of this Section, Consultant's subsidiaries and subcontractors performing Services shall not be deemed "third parties." No proprietary source code will be disclosed under this Agreement.

6. **Term and Termination.** This Agreement is effective upon the last dated signature. Either party may terminate this Agreement at the end of any Services Period or as otherwise provided herein. If Customer desires to terminate this Agreement or a Services project prior to the end of a Services Period, Customer may do so upon ten (10) days' written notice and with pro rata payment for any Services or Reports completed to that point

7. **Warranty and Limitation of Liability**

7.1 Consultant warrants the Services will be performed by qualified personnel. The exclusive remedy for breach of this warranty shall be refund of fees paid for the Services at issue.

7.2 Consultant disclaims all other warranties, express or implied, with respect to the Reports or Services provided hereunder or the results obtained, including without limitation any implied warranties or conditions of merchantability, fitness for a particular purpose, non-infringement and those arising by statute or otherwise in law or from a course of dealing.

7.3 Consultant is not liable for any special, consequential, incidental, indirect, reliance, or exemplary damages, either in contract or tort, whether or not the possibility of such damages was disclosed to Consultant or could have been reasonably foreseen by Consultant.

7.4 In no event shall Consultant's liability for damages of any kind, including direct damages, exceed the amount Customer paid for the Services or Reports at issue. Customer acknowledges this limitation of liability is reasonable in light of Customer's ability to limit its exposure to damages through involvement in the Services provided by Consultant and by reviewing any Reports delivered by Consultant. Customer bears full responsibility to third parties for use of the Reports.

7.5 Customer bears responsibility for the integrity of the data Customer provides Consultant. If Consultant performs an analysis and determines it must be repeated because Customer provided inadequate or defective data, then Customer agrees to cleanse or correct the data so that Consultant may repeat the analysis. Customer must pay for the additional expenses related to the repeated analysis.

8. **Complete Agreement**. This Agreement, including its Services Specification Forms and invoices arising under them, is governed by North Carolina law and constitutes the complete and exclusive statement of the parties about its subject matter and supersedes all prior related communications. Additional or conflicting terms on any current or future Customer purchasing documents are rejected. This Agreement can be modified only in a properly completed Services Specification Form or an amendment that specifically references this Agreement and is signed by an authorized signatory of each party.

Accepted by:

Customer: Education Achievement Authority of Michigan	SAS Institute Inc.
By _____ Authorized signature	By _____ Authorized signature
_____ Name (type or print)	_____ Name (type or print)
_____ Title	_____ Title
On _____ Date	On _____ Date

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EVAAS/2010. CGH

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SAS Campus Drive
Cary, NC 27513
tel (919) 677 8000
fax (919) 677 4444
karyn.long@sas.com

Web Delivery Addendum
To EVAAS® Service Agreement No. _____

This ADDENDUM ("Addendum") amends the above-referenced EVAAS Service Agreement ("Agreement") between SAS Institute Inc. ("Consultant"), and Education Achievement Authority of Michigan ("Customer") and is coterminous therewith. In the event of a conflict between the terms of this Addendum and the Agreement, the terms of this Addendum will prevail. All capitalized terms without definition are as defined in the Agreement. Consultant and Customer agree to the following terms that supplement those found in the Agreement:

1. **Description of Service**. Consultant will establish and maintain a web site ("Web Site") located on the Internet that allows Customer to access the Reports prepared for Customer under the terms of the Agreement. Access to the Web Site will be controlled solely by authorizations provided by Customer. Consultant will supply the online enrollment tools necessary for implementing such authorizations.

2. **Scope of Use**. In exchange for payment of the annual fees set forth in Section 3, Customer may access the Web Site only via the URL specification provided by Consultant and may use the Web Site solely as a means to view the Reports. Access to the Web Site by any other means or use for any other purpose is not authorized by the Agreement or this Addendum. Customer is solely responsible for arranging appropriate connection to the Internet and all related costs and for providing the necessary computer and other electronic equipment to display and use the Reports.

3. **Fees for Web Delivery.** Annual fees for web delivery of the Reports as described above is specified in the applicable Services Specification Form.

4. **Availability and Security**. Customer agrees to take such steps as are necessary to prevent unauthorized access to the Web Site. Customer acknowledges that it is solely responsible for authorizing access to the Reports. Provided Consultant is not in default under the terms of this Addendum, Customer acknowledges it is solely responsible for damages, costs and expenses assessed with respect to claims by any third party against the Consultant arising out of the access to the Reports. Consultant agrees to act responsibly to prevent unauthorized access to the Web Site but makes no warranty or guarantee regarding impenetrability. Consultant does not guarantee that the operation of the Web Site will be uninterrupted or error-free. Consultant reserves the right to terminate this Addendum and discontinue web delivery of the Reports without penalty if, in its reasonable belief, Consultant's obligations hereunder will violate any applicable U.S. law or regulation.

5. **Disclaimer of Warranty and Limitation of Liability**. **Section 6 of the Agreement regarding warranty and limitation of liability also apply to the web delivery of Reports provided under the terms of this Addendum.**

Except as herein modified, all terms and conditions of the Agreement remain in full force and effect.

READ AND AGREED:

Customer:	Education Achievement Authority of Michigan	SAS Institute Inc.
By	_____ Authorized signature	By _____ Authorized signature
	_____ Name (type or print)	_____ Name (type or print)
	_____ Title	_____ Title

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SAS Campus Drive
Cary, NC 27513
Attn: Karyn Long
Fax: (919) 677 4444

SERVICES SPECIFICATION FORM
For EVAAS® Service Agreement No. _____

(Complete all applicable items in Part 1 for the Services desired.)

Part 1.A. Services Requested *(Check applicable boxes)*		**Part 1.B. Customization/On-Site Consulting/Presentation Details**
X	District/School Reports (including Individual Student Projections) and Password-protected Web Reports	Dates Needed:
X	Teacher Reports	Description:
	Optional: Student-Teacher Linkages	
	Optional: Export Function	Contact for Technical Questions *(name, phone, email)*:
	Optional: EVAAS Training / Professional Development	
	Purchase Order No.	*(optional)*

Part 2.A. Rates for Services *(Consultant to complete)*		**Part 2.B. Estimated Completion Dates for Services** *(Consultant to complete)*
$25,000	District/School Reports (including Individual Student Projections) and Password-protected Web Reports (for up to 10,000 tested students)	
$10,000	Teacher Reports for teachers (for up to 10,000 tested students)	
$10,000	***Optional:*** Student-Teacher Linkages (for up to 10,000 tested students)	
$2,000	***Optional:*** Export Function (for up to 10,000 tested students)	

PRICE WILL VARY BASED ON SELECTED OPTIONS	***Optional:*** EVAAS Training / Professional Development *Available items are as follows:* o **EVAAS 101 for School Administrators** - Six-hour course delivered either onsite in Michigan or virtually through a web-based learning management system. A maximum of 35 attendees assumes 2 representatives from each of the 15 EAA schools plus 5 representatives from the EAA central office. In the event that this is delivered as an onsite class, travel expenses will be billed separately. ***Price: $15,000 plus applicable travel expenses.*** o **Private, School-Specific Coaching Sessions** One hour-long coaching session via Webinar for each of the 15 schools, with up to 30 attendees per school. ***Price: $7,000*** o **Multimedia Modules for School Users-** Embedded video learning modules will cover the following reports: o School Value-Added (all subjects) for both MRM and URM models o School Diagnostic (all subjects) o Teacher Reports and Diagnostics(all subjects) for both MRM and URM models o Student-Teacher Linkages Application o Student Projections and Projections Summaries o Student Search and Custom Student Reports ***Price: $22,500*** ****SEE ATTACHMENT A FOR FURTHER DETAILS REGARDING THESE ITEMS.****	

Payment Terms: Consultant shall invoice Customer upon execution of this Services Specification Form in the amount of _____.

Part 3. Rates Accepted

Customer: Education Achievement Authority of Michigan

By _____
Authorized signature

_____
Name (type or print)

_____
Title

On _____
Date

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ATTACHMENT A

EVAAS 101 for School Administrators

Designed for a maximum of 35 people to allow for two school leaders from each of the 15 EAA schools, and five representatives from EAA central office, to participate.

This comprehensive course will equip school administrators to use their EVAAS reporting effectively to better meet the needs of students at all achievement levels. Six hours of instructional time combined with a series of assignments designed to deepen the participants' understanding of their own reporting will provide administrators with the tools they need to:

- Lead discussions about the reporting with others in their school
- Present individual teacher reporting with confidence in a positive, productive manner
- Use the reporting to help teachers plan for differentiated instruction
- Use the reporting for resource planning and course placement
- Help teachers target professional development opportunities to maximize personal professional growth

This six-hour course can be delivered either on-site or virtually through a Web-based learning management system. It can also be delivered as a combination of on-site and virtual sessions. Either way, participants will have access to course materials that will provide a simple, user friendly framework for sharing insights from the reporting with others in their school.

Private, School-Specific Coaching Sessions

One hour-long coaching session via Webinar for each of 15 schools (30 attendees per school)

Coaching sessions can be provided to teachers, administrators, counselors, instructional specialists, coaches, etc. via Webinars on an individual school- or district-basis. Interactive webinars introduce users to the reporting and address real-world educational problems with actual SAS® EVAAS® reporting from their schools. SAS educator support specialists guide educators through the interpretation and identification of root causes behind their data through a casual open forum that encourages dialog and collaboration amongst attendees. These sessions can be scheduled on professional development days where educators convene as a group, or drop-in from their own classroom computers. Webcasts can be recorded for future use and distribution within the school/district.

Multimedia Learning Modules for All Users

To help ensure that teachers have sufficient guidance in interpreting the reporting and using the data effectively, multimedia learning modules can be provided within the Web-based reporting system. These modules will guide teachers through using the Value Added and Diagnostic Reports to gain insights into their own practice and using the individual Student Projections to plan for differentiated instruction. These modules will be available to all users within the EVAAS reporting.

SAS recommends the following modules:

- School Value-Added (all Subjects) for both MRM and URM models
- School Diagnostic (all subjects)
- Teacher Reports (all subjects) for both MRM and URM models, with drill-down to Diagnostic reports
- Student-Teacher Linkage Application
- Student Projections and Projection Summaries
- Student Search and Custom Student Reports

Chancellor Updates

C

FRONTLINE™

Aesop® Customer Agreement

PRPUS24651

397 Eagleview Blvd.
Exton, PA 19341 USA

Valid If Signed and Returned to Frontline By: **10/11/2012**
Please Fax ALL PAGES of the signed Agreement to: (610) 363-3710

Customer Information		Billing Information	
Customer:	Education Achievement Authority	**Account Manager:**	Jeremy Buckley
Address:	3022 West Grand Blvd, Suite 14-652	**Proposed Start:**	
	Detroit, Michigan 48202	**Initial Term:**	2012-2013 / 2013-2014 School Years
Contact:	Dr. Prince	**Billing Frequency:**	Billed annually based on 10 months
Title:		**Cancellation Terms:**	30 Days written notice
Telephone:	313-456-3010		
Email:	Princeh@michigan.gov		

I. Aesop Subscription Fees	Estimated Employees	Rate	Estimated Total
A. **Employees Requiring a Substitute:**	400	$0.90	$360.00
B. **Employees not Requiring a Substitute:**	0	$0.35	$0.00
C. **School Year Total** (Summers are free)			
Estimated Monthly Investment			**$360.00**
Estimated Annual Investment			**$3,600.00**

II. Set-Up & Training Fees:	Amount
A. **System Setup** (Project Manager, Data Load, Configuration, Set-Up of Rules, etc)	$1,250.00
B. **Training Options**	
1. **Aesop Academy:** Frontline staff trains Customer designated Aesop Administrator at Frontline's location; Customer trains staff ($1000/ person Certification Program)	$0.00
OR	
2. **On-Site Training:** Frontline staff trains Customer at their facility ($6000). All travel and lodging costs are the responsibility of the school district.	$3,250.00
C. **Web Branding Option:** Custom branding of Aesop application with customer colors and logos	$0.00
TOTAL ONE-TIME SET-UP & TRAINING FEES: (Invoiced at signing, due in 15 days)	$4,500.00

III. Special Instructions and Additional Terms:

IV. Amount Due at Signing	$4,500.00

BY SIGNING BELOW, CUSTOMER CERTIFIES THAT IT HAS READ AND AGREES WITH THE ADDITIONAL TERMS ATTACHED HERETO AND INCORPORATED HEREIN AND SHALL BE BOUND BY THE SAME. Customer also agrees that the terms and conditions of this Agreement and the Additional Terms are confidential information of Frontline Technologies, Inc. ("Frontline") and are not to be shared with any third party without the prior written consent of Frontline.

Customer:	**Frontline Technologies, Inc.**
Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ADDITIONAL TERMS:

1. Subscription. Customer is purchasing a non-exclusive, non-transferable, non-assignable, terminable subscription ("Subscription") for use of Frontline's employee replacement system ("Aesop®") by Customer and those employees Customer registers on Aesop® as "Designated Employees".
2. Term. The Subscription shall begin upon the execution of this Agreement and continue through the time in which the pricing is set forth on the first page of this Agreement. IF neither party has given the other at least thirty (30) days written notice of its intent not to renew prior to the end of any Term, the Subscription shall automatically renew for the next year (the "Renewal Term").
3. Payment.
   a. The System Setup Fee set forth on the first page of this Agreement will be invoiced to Customer by Frontline upon execution of this Agreement; but if Customer terminates this Agreement before completion of the setup process, Frontline will refund the System Setup Fee on a pro-rata basis, based on a six (6) week setup schedule;
   b. The Training Fee set forth on the first page of this Agreement will be invoiced to Customer by Frontline upon execution of this Agreement; but if Customer terminates this Agreement before training takes place, Frontline will refund the Training Fee, less any out-of-pocket travel expenses related thereto incurred by Frontline prior to the termination. If Customer has elected to receive training at Frontline's facility, Customer shall be responsible for transportation, lodging and the like for Customer personnel. If Customer has elected to receive on-site training at Customer's facility, Customer shall be responsible for the reasonable costs of transportation, lodging and the like for Frontline's training personnel;
   c. The Estimated Annual Investment and the Estimated Monthly Investment set forth on the first page of this Agreement are merely general guidelines based on Customer's usage estimates. At the end of the month that Aesop® is fully functional for Customer, Frontline will render a detailed invoice, showing the number of Customer employees entered into Aesop®, multiplied by the applicable Employees Requiring a Substitute Rate and Employees Not Requiring a Substitute Rate (collectively, the "Employee Rates") as set forth on the first page of this Agreement, to yield the actual monthly investment (the "Actual Monthly Investment"). This will be multiplied by the number of months remaining in Customer's school year, prorating any partial months, to yield the actual annual investment (the "Actual Annual Investment") for the Initial Term. There will be no charge for summer usage. Should the number of employees on Aesop® change significantly during the year, Frontline will recalculate the Actual Annual Investment and render an invoice, or present a refund, for the difference.
   d. In all subsequent Renewal Terms, before the start of the school year, Frontline will calculate the Actual Monthly Investment by multiplying the actual employees entered into Aesop® by the applicable Employee Rates, as amended from time to time, to yield the Actual Monthly Investment. This will be multiplied by ten (10) to yield the Actual Annual Investment for the ten (10) month school year. Said Invoice shall be paid to Frontline by August 31st. Should the number of employees on Aesop® change significantly during the Renewal Term, Frontline will recalculate the Actual Annual Investment and render an invoice, or present a refund, for the difference;
   e. Frontline reserves the right to increase any of the fees after the Initial Term, by providing at least thirty (30) days prior written notice of same to Customer;
   f. Frontline invoices shall be paid within fifteen (15) days of the invoice date.
4. Aesop® Assistance. Frontline shall provide Customer with commercially reasonable: (a) assistance in the initial installation and setup of Aesop®, and (b) ongoing telephone assistance regarding the use of Aesop® during the Initial Term and any Renewal Term during normal EST business hours Monday through Friday; but: (i) all telephone assistance rendered by Frontline shall be to Customer's Aesop® Administrator; and (ii) Frontline shall not be required to provide "help desk" support for any questions or assistance that is not directly related to Aesop®.
5. Aesop® Operation. Customer acknowledges and agrees that it must properly enter data and information onto Aesop® in order for Aesop® to operate properly. Customer shall be responsible to verify the accuracy of any of Customer's data entered on Aesop®. Frontline makes no representation or warranty of any kind as to the availability, promptness, or reliability of any substitute employee actually contacted by Aesop®.
6. Aesop® Administrator. At all times, Customer must have an employee who has obtained Aesop® administrator certification training from Frontline and who is certified by Frontline as an Aesop® administrator ("Aesop® Administrator"). If the Aesop® Administrator ceases to serve as such, Customer shall promptly and at its expense have a new employee obtain Frontline Aesop® administrator certification and be designated as an Aesop® Administrator.
7. Vacancies. Customer may use Aesop® to obtain temporary employee when there is no absent employee ("Vacancy"). Filling a Vacancy is treated by Aesop® as if it was a regular replacement for an absent employee and is billed at the Employee Rates.
8. Subscription Restrictions.
   a. Customer shall not assign, transfer, pledge or otherwise encumber or dispose of any of Customer's rights or obligations under this Agreement.
   b. The Subscription does not extend to any individual or entity not a party to this Agreement, any employees of Customer who are not either the Designated Employees or the Aesop® Administrator, or any business, school or operation acquired by Customer by merger, consolidation, purchase. Operation of law or otherwise, unless Frontline agrees in writing to the extension or assignment of the Subscription. No right is granted for the use or access of Aesop® by any third party. A transfer of control or ownership of Customer shall be considered a prohibited transfer of Customer's Subscription.
   c. Frontline may assign this Agreement to any third party acquiring all or substantially all of Frontline's assets or stock.
   d. Information regarding Customer's employees acquired by Frontline shall be confidential. Aggregated data not relating to individual employees of Customer acquired by Frontline in the course of performing this Agreement will be the sole property of Frontline.
9. Limitation of Liability.
   a. **THE MAXIMUM LIABILITY OF FRONTLINE, ITS EMPLOYEES, AGENTS, REPRESENTATIVES, ATTORNEYS, OFFICERS AND DIRECTORS, FOR ALL DAMAGES, CLAIMS OR LOSSES WHATSOEVER, INCLUDING THOSE RELATING TO ANY ERROR, FAILURE, MALFUNCTION, OR DEFECT OF Aesop®, ANY BREACH OF THIS AGREEMENT AND ANY NEGLIGENCE OR OTHER MALFEASANCE BY FRONTLINE SHALL NOT EXCEED THE AMOUNT OF FEES ACTUALLY PAID BY CUSTOMER TO FRONTLINE DURING THE PAST TWELVE (12) MONTH PERIOD.**
   b. Upon termination of this Agreement for any reason, the provisions of this Section shall survive termination and continue in full force and effect.
10. Termination.
   a. Customer may terminate this Agreement at any time, for any reason or no reason, on thirty (30) days prior written notice to Frontline. In the event Customer terminates this Agreement pursuant to this Section, Frontline shall be entitled to retain all monies received from Customer pursuant to this Agreement, to be paid for fees due up to the termination; and shall be relieved of further obligations to Customer. Frontline shall promptly return to Customer any data, confidential information, materials, records and other information furnished to Frontline by Customer. Frontline shall return to Customer, on a pro-rates basis, and fees paid in advance by Customer that were not earned as of the date of termination.
   b. Frontline may terminate this Agreement for any breach by Customer.
11. Public Disclosure. Customer grants to Frontline the right to publicly disclose the fact that Customer is using Aesop®, for Frontline's advertising and other promotional purposes.
12. Copyright and Trademarks. All intellectual property pertaining to Aesop®, including trademarks and copyrights, is and shall remain the sole property of Frontline and its affiliated companies.

Chancellor Updates

D

Computing & Information Technology Wayne State University
Co-location Master Services Agreement for Basic Hosting of Servers for
EDUCATION ACHIEVEMENT AUTHORITY

Wayne State University, on behalf of its Computing and Information Technology Division ("C&IT") and EDUCATION ACHIEVEMENT AUTHORITY mutually agree to the following terms and conditions governing the location, operation and funding of equipment and software at the Wayne State Computing Center Building located at 5925 Woodward. In the document below, EDUCATION ACHIEVEMENT AUTHORITY will be hereinafter referred to as "Hosted Party."

1. The Lease

a. The initial term of this agreement will be for one year from the latest date the agreement is signed by either party.

b. Permitted Uses. Hosted Party has the right to use the Space solely for the purpose of (i) installation of the Equipment in the Space, (ii) maintaining the Equipment, (iii) operating the Equipment, and (iv) removing the Equipment (the "Permitted Uses"). Unless otherwise agreed by C&IT in writing, Hosted Party shall perform the Permitted Uses at its sole cost and expense. Hosted Party shall not use or allow or permit the use of the Space for any use or purpose other than a Permitted Use.

c. Not a Grant of an Interest in Real Property. Hosted Party acknowledges and agrees that it does not have, has not been granted and will not own or hold any real property interest in the Space, the Premises or the Building; that Hosted Party is a licensee not a tenant or lessee of the Space; and that Hosted Party does not have any of the rights, privileges or remedies that a tenant or lessee would have under a real property lease or occupancy agreement.

2. Overview—Basic Level of Hosting Service

a. The Hosted Party has requested the *Basic Level of Hosting Service* for its servers.

b. C&IT's Basic Level of Hosting Service includes monitoring of computer room environment and infrastructure, responding to environmental and computer room incidents by alerting Hosted Party's designated contact person(s), and providing electronic and physical access to an application system for authorized personnel.

c. The charges for these Hosting Services are detailed in Appendix A.

d. The Hosted Party itself directly pays for the annual costs to maintain (e.g., hardware and software maintenance contracts) equipment, software and agents, and consumables (e.g., paper) used by its staff or customers.

3. Space and Access

a. All hosted equipment must be rack-mountable. C&IT will provide 19" rack-mountable space in the Data Center at 5925 Woodward Avenue for the number of Hosted Party servers to be housed by C&IT. We recommend that all equipment has dual power supplies.

b. Basic space will include raised floor, fire suppression, physical security system, and active environmental monitoring.

c. C&IT will provide Hosted Party humidity control and electric power, including Uninterruptible Power Supply (UPS), battery, and generator backup for Hosted Party servers.

d. C&IT will provide *electronic* access to Hosted Party servers at WSU 24 hours a day, 7 days a week, with the exception of unavoidable interruptions.

e. C&IT will provide *physical* access to servers for authorized Hosted Party technical support staff. Physical access only will be possible when C&IT has someone in the building to monitor operations.

f. C&IT staffs its Data Center 7 days a week, 24 hours per day, 365 days a year.

g. The Hosted Party can contact C&IT Operations (NOC) at 313-577-4750 for computer room access. C&IT will provide the Hosted Party with the contact telephone numbers of C&IT personnel who will provide authorized Hosted Party personnel with access to the computer room when there is an emergency.
h. Hosted Party access will be restricted to the six persons listed on the Server Hosting Intake Form. All other guests and non-WSU personnel, including third-party maintenance providers, must be escorted. Hosted Party staff and guests are required to sign the visitors' log upon entering and leaving the Data Center.
i. The Hosted Party will abide by C&IT's Data Center environmental policies that do not allow boxes or food and drink within the area.

4. Change Management and Notification

a. C&IT will abide by its existing change management process for the network, computing, and utility infrastructure at the Data Center.
b. In general, infrastructure changes will be restricted to C&IT's weekly scheduled system maintenance period.
c. C&IT will inform Hosted Party personnel about non-routine maintenance services and when they are scheduled.
d. C&IT reserves the right to disconnect from the network and/or power down a Hosted Party machine, if, after reasonable attempts to notify/resolve with the designated contact persons, the machine compromises the ongoing production operations of the Data Center.

5. Hardware Services and Installation

a. The Hosted Party will be solely and directly responsible for paying the costs of hardware maintenance contracts for its equipment.

6. Operating Systems Services

a. The Hosted Party will be solely and directly responsible for paying the costs of operating systems licenses for its equipment.

7. Applications Software Services

a. The Hosted Party will be solely responsible for:
   - Installing, maintaining, monitoring, modifying, and operating its system(s) and all of the related application support software.
   - Obtaining the licenses for its system(s) as well as for any other related application software.
   - Identifying and solving problems associated with its system(s) and its application support software.

8. System Security Service

a. The Hosted Party will distribute, monitor, and maintain staff accounts necessary to access its system(s).
b. For any Hosted Party equipment operating on a C&IT network:
   - C&IT maintains a perimeter firewall to protect all shared systems. If this service is required for the campus, there will not be any additional cost to the Hosted Party to use the service.
   - C&IT will involve the Hosted Party in testing and configuring firewall services.
   - The Hosted Party equipment and software will be scanned by C&IT staff for known software vulnerabilities prior to certifying the host for final installation into its Data Center. In the event that such vulnerabilities are discovered at that time, the Hosted Party will be required to clean or correct them prior to final installation within the Data Center.
   - C&IT will provide and conduct periodic system security scans for known software vulnerabilities.

9. Equipment Tracking/Inventory Control

a. All Hosted Party equipment will enter the Computing Center Building through C&IT's designated shipping/inventory control area and be reported to the designated C&IT inventory control person on entry and exit to the building.
b. The Hosted Party will annually review and sign off on the C&IT list of Hosted Party equipment housed in the Data Center.

10. Agreements with Third Parties

a. C&IT will not be bound by any contractual obligations entered into by the Hosted Party and any third party without the involvement and consent of C&IT.
b. The Hosted Party will not be bound by any contractual obligations entered into by C&IT and any third party without the involvement and consent of the Hosted Party.

11. Primary Contacts

a. All notifications, requests, or changes to this agreement will be sent to and handled by the following Primary Contacts for the agreement.
b. Director of Computing Operations Support, Computing & Information Technology, Wayne State University
c. Chief Technology Officer, Hosted Party.

12. Conflict Resolution

a. All conflicts between the parties associated with the services specified in this agreement and any amendments to the agreement will be referred to the Primary Contacts for first-level resolution.
b. Conflicts that cannot be resolved by the Primary Contacts will be referred to the Senior Director of Infrastructure and Operations for second-level resolution.
c. If the conflict is not resolved at the second-level, it will be referred to the Associate Vice President for C&IT and Chief Technology Officer of the Hosted Party.

13. Confidentiality

a. Each of C&IT and Hosted Party, for itself, its agents, employees and representatives, agrees that it will not divulge any confidential or proprietary information ("Confidential Information") it receives from the other party, except as may be required by law. Confidential Information shall be marked as such when it is provided, or be of a type that can reasonably be assumed to be of a confidential nature.

14. Insurance

a. The Hosted Party agrees to and shall maintain in force and effect during the Term of the Co-location Contract, a policy or policies of commercial general liability insurance, with a company licensed to do business within the State of Michigan, insuring Hosted Party against all hazards and risks customarily insured against by persons locating equipment such as the Equipment in space in WSU's Data Center.

b. The Hosted Party shall maintain commercial general liability (CGL) coverage, with $1,000,000 combined single limit per occurrence, and $2,000,000 in the annual aggregate. CGL insurance shall be written on Insurance Services Office form CG 00 01(or substitute form providing equivalent coverage) and shall cover liability arising from premises, operation, independent contractors, products-completed operation, and personal injury, contractual liability, broad form property damage liability, products and completed operation coverage and X, C, U(explosion, collapse, underground) hazards.

15. Limited Warranty

C&IT warrants that the Services will be as described herein. Wayne State University and C&IT SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF ANY SUCH WARRANTY. ALL SERVICES ARE SUPPLIED TO THE

HOSTED PARTY WITH NO ADDITIONAL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

16. Liability

a. Each party shall be responsible for and hold the other party harmless from any loss, damage or claim arising from the negligent acts or omissions or willful misconduct of a party's own employees, agents or contractors.

17. Limitation of Liability

a. Except for the Limited Warranty in Section 15, the Services provided by C&IT are provided on an "as is" and "as available" basis. C&IT does not warrant that the Services will be uninterrupted or free of harmful components.

b. Wayne State University, C&IT and its employees are not liable for any costs or damages arising directly or indirectly from Hosted Party's use of the Services including any indirect, incidental, exemplary, multiple, special, punitive or consequential damages. Hosted Party assumes full responsibility and risk for the use of the Services, and is solely responsible for evaluating the accuracy, completeness, and usefulness of all services, products and other information.

c. The Hosted Party is solely responsible for the ongoing IT security operations related to their equipments' operating systems, web services, application systems and database systems. WSU will not be liable for IT security problems, system breaches or data thefts.

d. If Hosted Party is dissatisfied with the Services or with any terms, conditions, rules, policies, guidelines or practices of C&IT in operating the Services, Hosted Party's sole and exclusive remedy is to terminate this Agreement in accordance with Section 21 below, and discontinue using the Services.

18. Force Majeure

a. Neither party shall be liable for any loss or damage suffered by the other party, directly or indirectly, as a result of the first party's failure to perform, or delay in performing, any of its obligations contained in this Agreement (except any obligations to make payments hereunder), where such failure or delay is caused by circumstances beyond the first party's control or which make performance commercially impracticable, including but not limited to, fire, flood, storm or other natural disaster, explosion, accident, war, riot, civil disorder, governmental regulations or restrictions of any kind or any acts of any government, judicial action, power failure, acts of God or other natural circumstances.

19. Payment

a. Payment by the Hosted Party will be via check. Cost is $550 per month per rack.

20. Assignment

a. The Co-location Contract shall not be assigned, transferred or conveyed by the Hosted Party without first obtaining the prior written consent of C&IT, which consent may be granted or withheld in C&IT sole and absolute discretion. Any purported assignment or delegation without the required consent shall be null and void and of no legal force or effect.

21. Termination

a. This agreement will be renewed automatically for twelve month periods, unless one of the parties notifies the other three months in advance of the termination date that the agreement will not be renewed.

b. If either party commits a material breach of this Agreement, and should such breach not be corrected within thirty (30) days after receipt by such party of written notice from the other party, this Agreement may be terminated by the non-breaching party without further notice.

22. Governing Law

a. The Co-location Contract and all documents and instruments executed in connection therewith or herewith shall be governed by and interpreted in accordance with the substantive laws of the State of Michigan without regard to principles of conflict of laws.

23. Modifications and Amendments

a. The Associate Vice Presidents for C&IT and the xxx, Hosted Party will sign all modifications to this service level agreement. When modifications are minor, a written statement describing the change and signed by both parties is sufficient. When modifications are determined to be of a major nature, then the modification will become a formal amendment and made a permanent part of this agreement.

By their signatures below, the following individuals have executed this service level agreement between Wayne State University and EDUCATION ACHIEVEMENT AUTHORITY Hosted Party.

Joseph F. Sawusky — 6/25/2012

C&IT — **Date**

Dr. J. Wm. Covington, Chancellor — **Date**
EDUCATION ACHIEVEMENT AUTHORITY

FORM APPROVED
6/22/12
OFFICE OF THE
GENERAL COUNSEL

[APPENDIX A TO BE INSERTED]

Cost is $550.00 per rack

Chancellor Updates

E

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this [___] day of [_____], **[2012]** ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and Wayne State University, a Michigan public institution of higher education. ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA

reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1 Organization and Good Standing. Vendor is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Each of Vendor and EAA, for itself, its agents, employees and representatives, agrees that it will not divulge any confidential or proprietary information, including but not limited, to educational records and data as defined and protected under the Family Education Rights and Privacy Act, 20 U.S.C. §1232g, 34 C.F.R. Part 99, ("Confidential Information") it receives from the other party, except as may be required by law or legal process. Confidential Information shall be marked as such when it is provided, or be of a type that can reasonably be assumed to be of a confidential nature. The provisions of this Article VI shall survive the termination or expiration of this Agreement for a period of five (5) years or as otherwise required by law.

Section 6.2 Confidential Information. Confidential Information shall not include anything that a party can document: (i) was generally available to the public at the time it was received by the party, (ii) was known to a party, without restriction, at the time of disclosure, or (iii) was independently developed by a party without any use of Confidential Information provided by the other party.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, a party shall promptly return to the other party all Confidential Information provided

under this Agreement and all copies, or at the providing party's option, shall destroy the Confidential Information.

ARTICLE VII
PROPRIETARY RIGHTS

Section 7.1 Vendor's Proprietary Rights. Vendor hereby grants to EAA a non-exclusive, perpetual license to use any work product or software developed by Vendor under this Agreement.

Section 7.2 EAA's Proprietary Rights. Vendor acknowledges and agrees that any proprietary information of the EAA's (EAA information) provided or communicated to the Vendor or Vendor's employees, contractors, or agents by the EAA or EAA's employees, contractors, or agents pursuant to this Agreement shall remain the property of EAA and EAA retains all rights, title and interest in and to such information, including any Intellectual Property Rights related thereto; provided, however, that EAA hereby grants to Vendor a non-exclusive, non-transferable, royalty-free license to use and display the EAA Information during the Term of this Agreement as necessary to effectively advise the EAA and provide services described herein.

ARTICLE VIII
AUDITS

Section 8.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 8.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE IX
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 9.1 Liability. To the extent permitted by law, each party shall be responsible for and hold the other party harmless from any loss, damage or claim arising from the negligent acts or omissions or willful misconduct of a party's own employees, agents or contractors.

Section 9.2 Limitation of Liability; No Special Damages. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. Except for the Limited Warranty in Section 15, the Services provided by Vendor are provided on an "as is" and "as available" basis. Vendor does not warrant that the Services will be uninterrupted or free of harmful components. Further:

a. Vendor and its employees are not liable for any costs or damages arising directly or indirectly from EAA's use of the Services including any indirect, incidental, exemplary, multiple, special, punitive or consequential damages. EAA assumes full responsibility and risk for the use of the Services, and is solely responsible for evaluating the accuracy, completeness, and usefulness of all services, products and other information.

b. EAA is solely responsible for the ongoing IT security operations related to their equipments' operating systems, web services, application systems and database systems. Vendor will not be liable for IT security problems, system breaches or data thefts.

c. If EAA is dissatisfied with the Services or with any terms, conditions, rules, policies, guidelines or practices of C&IT in operating the Services, EAA's sole and exclusive remedy is to terminate this Agreement in accordance with Section 5.2 above, and discontinue using the Services.

Section 9.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company licensed to do business in Michigan:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate,.

(2) If motor vehicles will be used in performance of Vendor's services under this Agreement, Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 9.4 Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE,

INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE X
DISPUTES

Section 10.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations. The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute prior to initiating any legal action related to such dispute.

Section 10.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

ARTICLE XI
GENERAL PROVISIONS

Section 11.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes,

including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 11.2 Tax Exempt Status. Each party acknowledges that the other is a tax-exempt entity. Neither party may use any facility of the other party for any unauthorized purpose and will not act in any way that might jeopardize the party's tax-exempt status.

Section 11.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 11.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 11.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 11.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 11.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 11.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 11.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

Wayne State University
5057 Woodward Ave. 13th Floor
Detroit, MI 48202
Attention: Sponsored Program Administration

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 11.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

Section 11.11 Force Majeure. Neither party shall be liable for any loss or damage suffered by the other party, directly or indirectly, as a result of the first party's failure to perform, or delay in performing, any of its obligations contained in this Agreement (except any obligations to make payments hereunder), where such failure or delay is caused by circumstances beyond the first party's control or which make performance commercially impracticable, including but not limited to, fire, flood, storm or other natural disaster, explosion, accident, war, riot, civil disorder, governmental regulations or restrictions of any kind or any acts of any government, judicial action, power failure, acts of God or other natural circumstances.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
J. Wm. Covington, Ed.D.

Title:_____
Chancellor

Date:_____

WAYNE STATE UNIVERSITY

By:_____
[Name of representative of Vendor]

Title:_____
[Title of representative of Vendor]

Date:_____

Exhibit A

Service Order

[SEE ATTACHMENT]

Legal Approval	**Date**

SERVICE ORDER

VENDOR NAME: *Wayne State University*

MASTER SERVICES AGREEMENT (MSA) IDENTIFICATION NUMBER: *[Intentionally Left Blank].*

SERVICE ORDER NUMBER: *[Intentionally Left Blank]*

SERVICES/PRODUCTS TO BE PROVIDED
Wayne State University shall provide a specified quantity of Graduate Students to provide Computer Engineering and Programming Services in support of the EAA's mission.

PERIOD OF PERFORMANCE

X Service

Service shall commence on _____, _____ 2012.

Expected service/project completion date: _____, _____ 201[ ].

☐ Product

Product Delivery Date: _____, _____ 201[ ].

Vendor agrees to provide EAA with products/services that are the subject of this Service Order as developed and/or completed. Vendor agrees to provide written notification to the EAA if Service Order deliverables cannot be provided within this period of performance on the first business day after it becomes known to a reasonable degree of certainty that Vendor will be unable to comply.

DELIVERABLES
Vendor shall provide services/products, fully described as ***Computer Engineering and Programming Services***, to EAA under this Service Order. *[Include any other details regarding deliverable expectations].*

SPECIAL TERMS
[Include any specific terms or needs that better explain the work expected].

PROFESSIONAL FEE

☐ Flat Fee _____, Not to Exceed $_____.

X Hourly Fee ***$12.00 to $16.00 per hour*** per ***Participating Student***, depending on qualifications and skill, Not to Exceed $***intentionally left blank***. This hourly rate shall apply as follows: 1) Undergraduate Non-Upper Class, Computer Science/Engineering Students at $12.00 per hour; 2) Undergraduate Upper Class, Computer Science/Engineering Students at $14.00 per hour; 3) Graduate Computer Science/Engineering Students at $16.00 - $20.00 per hour; 4) PhD Computer Science/Engineering Students at $20.00 - $25.00 per hour; and 5) Site Supervisor at $85.00 per hour.

The proposed professional fee shall be billed and due in _____ installments, to be invoiced every _____ month(s).

_____ _____
EAA Authorizing Official Date

_____ _____
Vendor Representative Date
Acknowledgement of Terms

All payments shall be made directly to Vendor at the address contained in the MSA within _____ days of receipt of final, validated invoice.

Chancellor Updates

F

Enrollment for Education Solutions

Enrollment Number *Microsoft to complete*		Qualifying Enrollment Number (if applicable) *Partner to complete*	
Previous Enrollment Number (if applicable) *Partner to complete*			

This Enrollment must be attached to a signature form to be valid.

Please note that by entering into this Enrollment for Education Solutions ("Enrollment") Institution, regardless of whether it is a primary/secondary school or a higher/further education entity, becomes part of the Campus Program. Institution's reseller will use the Campus Program tools and pricing infrastructure to register Institution for this Enrollment. All communications from Microsoft will indicate that Institution is part of the Campus Program.

This Enrollment is entered into between the entities identified in, and as of the effective date listed in, the signature form ("Enrollment Effective Date"). Institution represents and warrants that it is the same Institution that entered into the Campus and School Agreement identified on the signature form ("Agreement") or an Affiliate of Institution. The Agreement must be at least version 3.4 in order for the Enrollment to be valid.

This Enrollment consists of (1) this document and the signature form, (2) the terms of the Agreement, and (3) the Supplemental Terms and Conditions for Online Services and the Supplement for Microsoft Live@edu located at http://www.microsoft.com/licensing/contracts, and (4) any supplemental contact information form.

The terms and conditions in this Enrollment supersede any conflicting terms and conditions in the Agreement.

Enrollment Term. This Enrollment will expire either 12 or 36 full calendar months from the Enrollment Effective Date, depending on Institution's election below and may be terminated earlier as provided in the Agreement. *Please select **only one** initial Enrollment term option:*

☐	12 Full Calendar Months	☒	36 Full Calendar Months

Prior Enrollment. If renewing Subscription Licenses from a Previous Enrollment or Agreement, the Previous Enrollment or Agreement number must be identified in the designated box above.

1. *Contact information.*

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. *The asterisk ("*") indicates required fields.* Microsoft may disclose contact information as necessary to administer this Enrollment.

a. **Primary contact information.** Institution must identify an individual from inside its organization to serve as the primary contact. This contact is also the default online administrator for this Enrollment and will receive all notices unless Institution provides Microsoft written notice of a change. The online administrator may appoint other administrators and grant others access to online information.

Name of entity (must be legal entity name)* Education Achievement Authority

Contact name*: First Adel **Last** Haddad
Contact email address* haddada@michigan.gov
Street address* 3022 West Grand Blvd, Suite 14-652
City* Detroit **State/Province*** MI **Postal code*** 48202
Country* USA
Phone* 313.456.3731 **Fax**
Tax ID

b. **Notices and online access contact information.** Complete this only if Institution wants to designate a notices and online contact different from the primary contact. This contact will become the default online administrator for this Enrollment and receive all notices. This contact may appoint other administrators and grant others access to online information.

☒ Same as primary contact
Name of entity*
Contact name*: First **Last**
Contact email address*
Street address*
City* **State/Province*** **Postal code***
Country*
Phone* **Fax**
☐ This contact is a third party (not Institution)
Warning: This contact receives personally identifiable information of Institution.

c. **Online Services administrator.** This person will receive communications concerning registration for Online Services ordered under this Enrollment. This contact may appoint other administrators and grant others access to online information.

☒ Same as primary contact
Name of entity*
Contact name*: First **Last**
Contact email address*
Street address*
City* **State/Province*** **Postal code***
Country*
Phone* **Fax**

d. **Language preference.** Select the language for notices. English

e. **Microsoft account manager.** Provide the Microsoft account manager contact for Institution.

Microsoft account manager name: Roger Archbold
Microsoft account manager email address: Roger.Archbold@microsoft.com

f. **Reseller information.**

Reseller company name* CDW-G
Street address (PO boxes will not be accepted)* 230 N. Milwaukee Ave.
City* Vernon Hills **State/Province*** IL **Postal code*** 60061
Country* USA
Contact name* Scott Horvath
Phone* 847-968-9927 **Fax** 847-968-1927
Contact email address* Scott.Horvath@ms.cdw.com

The undersigned confirms that the information is correct

Name of Reseller* CDW-G
Signature* _____
Printed name*
Printed title*
Date*

Changing a reseller. If Microsoft or the reseller chooses to discontinue doing business with one another, Institution must choose a replacement. If Institution intends to change the reseller, it must notify Microsoft and the former reseller in writing on a form provided at least 30 days prior to the date on which the change is to take effect. The change will take effect 30 days from the date of Institution's signature.

2. *Definitions.*

Capitalized terms used but not defined in this Enrollment shall have the meaning given to them in the Agreement.

"Additional Product" means any Product other than a Desktop Platform Product that Institution chooses to license under this Enrollment;

"Desktop Platform Product" means any Product identified on the Product List as such and that Institution chooses to license under this Enrollment (Desktop Platform Products may only be licensed on an Organization-wide basis under this program);

"Faculty" means any employees, contractors and volunteers who teach or perform research for Institution and use an Institution Qualified Desktop;

"Graduate" means a Student who has completed (1) a grade or a level in a school or an educational institution in Institution's Organization that qualifies the Student for enrollment into college or university or (2) a diploma or degree from a college or university in Institution's Organization;

"Organization" means the organization as defined by Institution in the section of this Enrollment titled "Defining Institution's Organization";

"Organization-wide Count" means the total quantity of Faculty and Staff in Institution's Organization as listed in the table in the section of this Enrollment titled "Choosing licensing options; license grant.";

"Previous Enrollment or Agreement" means a School Subscription Enrollment, a Campus Subscription Enrollment, an Enrollment for Education Solutions, or an Open Value Subscription Agreement for Education Solutions;

"Qualified Desktop" means any personal desktop computer, portable computer, workstation, or similar device that is owned, leased, or controlled by Institution (other than a Student Qualified Desktop) that is used for the benefit of Institution's Organization (or by or for the benefit of Students enrolled in Institution's Organization, if applicable) and that meets the minimum requirements for running any of the Desktop Platform Products. Qualified Desktops do not include: (1) any computers that are designated as servers and not used as a personal computer and (2) any devices running an embedded operating system (e.g. Windows Vista for embedded, Windows XP embedded) that do not access a virtual desktop infrastructure;

"Qualified User" means a User who (1) is a user of a Qualified Desktop or (2) accesses any server software or online services licensed within Institution's Organization. It does not include a person who accesses server software or online services solely under a license identified in the Qualified User Exemptions in the Product List;

"Qualifying Enrollment" means either (1) a Campus Subscription Enrollment under which Institution did not order any Desktop Platform Product, or (2) an Enrollment for Education Solutions the minimum

requirements of which were met (i.e., a Qualifying Enrollment was not used) and which was entered into by Institution or Institution's Affiliate, each active and valid upon signing of this Enrollment. Institution must have been included in the Organization under an Enrollment for Education Solutions that is used as the Qualifying Enrollment;

"Staff" means any non-Faculty employees, contractors and volunteers who perform work for Institution and use an Institution Qualified Desktop;

"Student" means any student enrolled in any educational institution that is part of Institution's Organization, whether on a full-time or part-time basis;

"Student Count" means the total quantity of Students in Institution's Organization as listed in the table in the section titled "Licensing options; license grant."; and

"Student Qualified Desktop" means a Qualified Desktop owned or leased by a Student or that is owned or leased by Institution's Organization and assigned for individual, dedicated use by a Student.

For the avoidance of doubt, the term "Customer" as used in certain supplemental forms (for example the program signature form) has the same meaning as "Institution."

3. *Overview of the Enrollment for Education Solutions.*

This Enrollment allows Institution to license Products on a subscription basis across its Organization. Institution determines how it defines its Organization. Institution can select from two different licensing options, Faculty and Staff or Students, depending on the Users it wishes to cover.

The minimum requirements for this Enrollment are as follows:

Institution must order at least one Desktop Platform Product. Desktop Platform Products must be ordered for Institution's Organization-wide Count and/or Student Count, as applicable. Additional Products may be ordered in any quantity or for Institution's Organization-wide Count or Student Count, as described in the Product List. Each initial, anniversary and extension order must be for at least 1000 Organization-wide Count or 1000 Student Count of each Desktop Platform Product selected.

The minimum requirements listed in the previous paragraph do not apply if Institution has a Qualifying Enrollment.

Microsoft may refuse to accept this Enrollment if it has a business reason for doing so. At the end of the applicable term Institution has the option to extend the Enrollment, enter into a new Enrollment, let the Enrollment expire or, if applicable, buy out perpetual Licenses.

4. *Defining Institution's Organization.*

Define the Organization by choosing one of the options below. *Please select **only one** option.*

☐	**Institution and all of its Affiliates**, departments and school locations (*do not* list any entity in the below list)
☒	**Institution only** (including all of its departments and school locations, but not including any Affiliates) (*do not* list any entity in the below list)
☐	**Institution *plus* the listed Affiliate(s) and/or department(s), school location(s), and/or clearly defined User group(s) if Affiliate is a school without departments or school locations, of Affiliate(s)** (please list the Affiliate(s), department(s), school location(s) and/or User group(s) of Affiliate(s) below)
☐	**The listed department(s), school location(s), and/or clearly defined User group(s) if Institution or Affiliate is a school without departments or school locations, of Institution and any of its Affiliates, and any Affiliate(s)** (please list department(s), school location(s) and/or User group(s) and any Affiliate(s) below)

If Institution chooses to enroll specific departments, school locations, and/or clearly defined User groups, Institution must provide the department, school location, and/or defined User group names. If the department, school location, or User group is part of an Affiliate, Institution must also provide the name of the Affiliate. A department includes all segments of a department (e.g., a business school should include the business library). A department must be for educational purposes. Open access labs and other resource support centers do not qualify as separate departments.

List of participating Affiliates, departments, school locations, and/or clearly defined User groups

Institution may add a page(s) to this Enrollment if additional rows are needed.

5. *Licensing options; license grant.*

Choosing a licensing option. Institution may license Desktop Platform Products, and Additional Products licensed Organization-wide, based on the following options. Institution must indicate the option(s) it chooses by marking the applicable box below, and provide its initial Organization-wide Count and/or Student Count, as applicable. Institution must select at least one licensing option.

Licensing Options.

Faculty and Staff: If Institution selects this option, Institution's Organization-wide Count must include all Faculty and Staff in its Organization. For purposes of this licensing option Institution must count a full-time member of its Faculty and Staff as 1, a part-time member of its Faculty as 1/3, and a part-time member of its Staff as 1/2.

Students: If Institution selects this option, Institution's Student Count must include the Students in its Organization. For purposes of this licensing option Institution must count a full-time Student as 1 and a part-time Student as 1/3.

Category Licensed	Institution's Selection	Organization-wide Count and/or Student Count, as applicable
1. Faculty and Staff	☒	650
2. Students	☒	7500

License grant. So long as Institution places orders pursuant to the agreement and this Enrollment for any required Licenses and pays per the agreement with its reseller, Institution (and/or its Students, as applicable) will have the following rights during the term of this Enrollment:

If the Faculty and Staff option is chosen, each Qualified User in Institution's Organization (including Students and public users of Qualified Desktops in an open lab) may run the Desktop Platform Products, and the Additional Products licensed on an Organization-wide basis, on any Institution Qualified Desktops. Institution is not required to count members of the public who access PCs that remain in Institution's open access lab(s) or libraries. Institution may not permit remote access to software installed on PCs in open access labs or libraries.

In the case of CALs, Institution may assign (1) a device CAL to each Institution Qualified Desktop and (2) a user CAL to each Faculty and Staff member, in both cases to access Institution's associated server software.

If the Student option is chosen, each Student in the Organization may run the Desktop Platform Products, and the Additional Products licensed Organization-wide, on a Student Qualified Desktop. In the case of CALs, Institution may assign a user CAL to each Student to access Institution's associated server software.

Institution may run as many copies of other Additional Product(s) it wishes so long as it places an order pursuant to the agreement and this Enrollment for required Licenses and pays per the agreement with its reseller. Order quantities must be equal to the number of copies Institution runs.

6. *Price levels and prices.*

Price levels. Institution's Organization-wide Count determines the price level of Desktop Platform Products ordered under the Faculty and Staff option. Institution's Student Count determines the price level of Desktop Platform Products ordered under the Student option. If Institution chooses to extend this Enrollment, the price level will be reset at the start of the extension term based on Institution's Organization-wide Count and/or Student Count at the time the extension order is placed. There are no price levels for Additional Products. Institution's price level does not change during the term of the Enrollment.

Select Price Level that Applies to Faculty and Staff Option	Organization Wide Count	Price level (Only Applicable For Desktop Platform products)
☐	1000	A
☒	3000	B
☐	10000	C
☐	25000	D

Select Price Level that Applies to Student Option	Student Count	Price level (Only Applicable For Desktop Platform products)
☐	1000	A
☒	3000	B
☐	10000	C
☐	25000	D

Prices. Institution's actual prices will be determined by agreement between Institution and its reseller. However, Microsoft will provide the reseller with pricing at the outset of this Enrollment and agrees that it will not increase the prices that it charges the reseller for the Products during the term of the Enrollment.

For any Online Service that Microsoft provides to resellers at no charge Microsoft may terminate user accounts that have been inactive for 18 or more consecutive calendar months.

7. How to order Products.

The following provisions replace Section 3 of the Agreement (or Section 3 if the Agreement is version 3.4) in its entirety:

a. **Price and payment terms.** Price and payment terms for all Licenses ordered will be determined by agreement between Institution and its reseller.

b. **Placing the initial order.** Orders must be submitted within 30 days of the Enrollment Effective Date. Orders for Desktop Platform Products must be for Institution's then–current Organization-wide Count and/or Student Count, as applicable. Orders for certain Additional Products identified in the Product List may be, at Institution's election, for either Institution's then-current Organization-wide Count and/or Student Count, as applicable, or for any quantity. Orders for other Additional Products may be for any quantity.

c. **Adding new Products not previously ordered (non-anniversary).** Orders can be submitted for Products that were not part of the initial order. The order must be placed in the month in which copies of the Product(s) are first run. Orders for Desktop Platform Products must be for Institution's then-current Organization-wide Count and/or Student Count, as applicable. Orders for certain Additional Products identified in the Product List must be for Institution's then-current Organization-wide Count or Student Count. Orders for other Additional Products may be, at Institution's election, for either Institution's then-current Organization-wide Count or Student Count, or for any quantity. The Licensed Period for additional orders will be the same as the Enrollment Licensed Period.

   Microsoft will invoice the reseller for the Products ordered on a pro-rated basis corresponding to the number of full calendar months remaining in the Licensed Period to a minimum of 6 months. Microsoft will use the price list in effect on the date of the invoice to charge Institution's reseller for the additional Licenses.

d. **Adding more copies of Products previously ordered (non-anniversary).**

   (i) For Desktop Platform Products, and Additional Products licensed Organization-wide, Institution does not need to submit orders to increase the number of copies run. However, increases in Organization-wide Count and/or Student Count, as applicable, must be reported at each anniversary of the Enrollment Effective Date.

   (ii) Except as provided in subsection d(i) above, Additional Products are licensed based on the number of Licenses acquired. At any time during the Licensed Period (including any extension), Institution may run additional copies of any previously ordered Additional Products, provided it submits orders for such copies. The order must be placed in the month in which those copies are first run.

e. **Extension orders and subsequent annual orders.** Institution must submit orders based on the following:

   (i) **One-year Licensed Period**. An extension order must be submitted to extend the Enrollment for another Licensed Period. The extension order must be received by Microsoft prior to the expiration of the Licensed Period. The Product selection and quantity ordered can be changed at each extension order.

(ii) **Three-year Licensed Period**. An anniversary order must be received by Microsoft prior to each anniversary of the Enrollment Effective Date of the three-year Licensed Period, and a subsequent extension order must be received by Microsoft prior to the expiration of the initial three-year Licensed Period. Each anniversary order must be for at least the same Product selection and total quantity as ordered during the one-year period in which the Product was first ordered, except for step-ups.

f. **Buy-out order.** If a buy-out option is available, a buy-out order quantity for Licenses for Desktop Platform Products, and Additional Products licensed Organization-wide, shall be at least equal to the Organization-wide Count but shall not exceed the total quantity of Qualified Desktops in Institution's Organization on the date of the buy-out order. The buy-out order quantity for other Additional Products shall be the lowest total quantity of copies ordered during any of the three 12 month periods immediately preceding expiration of the Enrollment.

g. **How to confirm orders.** Microsoft will publish information about orders placed by Institution, including an electronic confirmation of each order on a password-protected site on the World Wide Web at https://www.microsoft.com/licensing/servicecenter or a successor site. Upon Microsoft's acceptance of this Enrollment, the contact identified for this purpose will be provided access to this site.

h. **Step up to a higher Product edition.** If a previously ordered Product has multiple editions, Institution may migrate to the higher edition by stepping up (e.g. from Core CAL to Enterprise CAL or from SQL Server Standard Edition to SQL Server Enterprise Edition.) The order requirements set forth in subsection 7c above apply.

8. Work at home rights.

During the Licensed Period, Faculty and Staff members who are the primary users of an Institution Qualified Desktop running a Product licensed by Institution may run one copy of that Product on a home PC that they own or lease (or, for work at home rights for a Client Access License, to access the server Product(s) licensed by Institution from a home PC that they own or lease), for work-related purposes only; provided that in the case of work at home rights for Desktop Platform Products and Additional Products licensed Organization-wide the total number of Faculty and Staff members exercising work at home rights may not exceed Institution's Organization-wide Count and for other Additional Products the total number of Faculty and Staff members may not exceed the number of Licenses acquired for such Additional Products. If Institution upgrades the Product on the Qualified Desktop used by the Faculty or Staff member, the latter may upgrade the corresponding copy on the home PC. If the Faculty or Staff member leaves Institution, the work at home rights for such member end and the copy of the Product must be removed from the home PC. Though Microsoft may offer both work at home rights and home use program rights under Software Assurance for a Product, Institution must choose either work at home rights or home use program rights for such Product.

9. Perpetual Licenses for Graduates.

For any Students licensed to run any Products on a Student Qualified Desktop, Institution may at any time during the Enrollment term transfer to any Graduate the perpetual right to run each such Product. Institution must provide each such Graduate with a license agreement in the form provided by Microsoft. Institution must secure the Graduate's acceptance of the terms of the license agreement. Upon acceptance of the license agreement, the Graduate's right to run the Products identified in the license confirmation becomes perpetual. These rights do not apply to access licenses, including CALs, or to Online Services.

10. *Server Platform Products Licensing Option.*

If Institution licenses one or more of the CAL Products and the corresponding Server Platform Product(s) listed in the table below, Institution may run unlimited instances of any available edition of the corresponding server Products that constitute the Server Platform Products.

Institution must license each selected CAL Product and corresponding Server Platform Product for the aggregate of Institution's Organization-wide Count (at least 1000) *and* Student Count (at least 1000) as listed in the section entitled "Licensing options; license grant" above.

Unless Institution chooses to step up to a higher Product edition, Institution must include the Products selected from the table below with each anniversary order. If there is an increase in Product quantity used, Institution must submit an order for all CAL and Server Platform Products used but not ordered during the previous Enrollment year. Institution may aggregate CAL Product quantities acquired under a Qualifying Enrollment to meet quantity requirements of this Enrollment, provided that such Qualifying Enrollment or its successor is valid and in effect during the term of this Enrollment.

Server Platform Products licensed under this licensing option may only be used by Faculty, Staff and Student Users in Institution's Organization and by licensed external users using the Server Platform Products for the benefit of Institution's Organization.

Products Licenses acquired under this section may not be transferred to Graduates. Institution may buy out CAL Products but not Server Platform Products Licenses acquired under these terms. Institution is prohibited from transferring Licenses acquired under this section.

Institution agrees that Institution's use of the server Products that constitute the Server Platform Products is subject to the Product Use Rights.

Product Selection			
	CAL Product Selected	**Server Platform Product Selected**	**Server Product included for Unlimited Deployment**
☐	SQL Server CALs	SQL Server Platform Academic	Unlimited Licenses for all editions of the corresponding server Products, plus all editions of BizTalk Server and associated external connectors.
☐	Core CALs (acquired standalone or as part of a platform)	Core Server Platform Academic	Unlimited Licenses for all editions of the corresponding server Products, plus associated server management software, and associated external connectors.
☐	Enterprise CALs (acquired standalone, as a step-up, or as part of a platform)	Enterprise Server Platform Academic	Unlimited Licenses for all editions of the corresponding server Products, plus FAST search for Share Point, Forefront TMG, a ForeFront United Application Gateway, associated server management software and associated external connectors.

11. *Qualifying systems Licenses.*

The desktop operating system Licenses granted under this program are upgrade Licenses only. Full desktop operating system Licenses are not available under this program. If Institution selects a desktop platform suite or the Windows Desktop Operating System Upgrade, all Qualified Desktops on which

Institution runs the desktop platform suite or the Windows Desktop Operating System Upgrade must be licensed to run one of the qualifying operating systems identified in the Product List at http://www.microsoft.com/licensing/contracts. Note that the list of operating systems that qualify for the Windows Desktop Operating System Upgrade varies with the circumstances of the order. That list is more extensive at the time of the initial order than it is for some system refreshes during the term of this Enrollment. Exclusions are subject to change when new versions of Windows are released.

For example: The following are not considered qualifying operating systems: (1) embedded operating systems; (2) Linux; and (3) OS/2. These are examples of exclusions only. Please see Product List for all current qualifying operating systems.

12. Options upon completion of a Licensed Period.

Microsoft will provide prior written notice of expiration of the Enrollment. The notice will advise Institution of the option to: (1) extend the Enrollment, (2) submit a new Enrollment, (3) exercise the buy-out option, or (4) allow the Enrollment to expire. Microsoft will not unreasonably reject any extension order or new Enrollment. However, Microsoft may make a change to this program that will make it necessary for Institution to first enter into a new agreement. Each Licensed Period will start the day following the expiration of the prior Licensed Period:

a. **One-year Licensed Period.** Institution may elect to extend an initial one-year Licensed Period for either (1) up to five consecutive terms of 12 full calendar months by submitting an extension order for each such extension term or (2) one term of 36 full calendar months.

b. **Three-year Licensed Period.** Institution may elect to extend an initial three-year Licensed Period for either (1) up to three terms of 12 full calendar months or (2) one term of 36 full calendar months.

c. **Buy-out option.** Institution may elect to obtain perpetual Licenses for Products licensed under this Enrollment provided it has licensed such Products under one or more Enrollments (including any extensions) under the Agreement (or a predecessor agreement) for at least 36 full calendar months immediately preceding expiration of this Enrollment. Institution must submit a buy-out order at least 30 days prior to expiration of this Enrollment. The buy-out option is not available for Products licensed under the Student option.

Except as specifically provided otherwise in the Product use rights, perpetual Licenses acquired through this buy-out option are device Licenses. The license grant in the section entitled "License options; license grant" above does not apply to such perpetual Licenses. For example, a License is required for each Qualified Desktop on which Institution desires to run Office.

Microsoft | Volume Licensing

Program Signature Form

MBA/MBSA number	
Agreement number	01C35320

SGN-	Proposal ID

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
Enrollment for Education Solutions	X20-02449
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer	Microsoft Affiliate
Name of Entity (must be legal entity name)* Education Achievement Authority	**Microsoft Licensing, GP**
Signature* _____ **Printed First and Last Name*** Adel Haddad **Printed Title*** Chief Technology Officer **Signature Date*** 05-15-2012	**Signature** _____ **Printed First and Last Name** **Printed Title** **Signature Date** (date Microsoft Affiliate countersigns)
Tax ID	**Effective Date** (may be different than Microsoft's signature date)

* indicates required field

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer	Outsourcer
Name of Entity (must be legal entity name)*	**Name of Entity (must be legal entity name)***
Signature* _____ **Printed First and Last Name*** **Printed Title*** **Signature Date***	**Signature*** _____ **Printed First and Last Name*** **Printed Title*** **Signature Date***

If Customer requires physical media, additional contacts, or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form. If no media form is included, no physical media will be sent.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Licensing, GP
Dept. 551, Volume Licensing
6100 Neil Road, Suite 210
Reno, Nevada 89511-1137
USA

Prepared By: Name of Preparer Email of Preparer

Chancellor Updates

G

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (this "Agreement") is made this ___ day of _____, 2012 (the "Effective Date"), by and between the **SCHOOL DISTRICT OF THE CITY OF DETROIT**, a body corporate and a Michigan general powers public school district, whose address is 14th Floor, Fisher Bldg., 3011 W. Grand Blvd, Detroit, Michigan 48202 (hereinafter referred to as "DPS") and **EDUCATION ACHIEVEMENT AUTHORITY**, a Michigan public body corporate and special authority, whose address is 3044 West Grand Boulevard, # 14-550, Detroit, Michigan 48202-3037, (hereinafter referred to as " EAA"). DPS and EAA are referred to herein individually as a "Party" and together as the "Parties."

RECITALS

A. DPS is organized under the Revised School Code (the "School Code") MCL 380.1 et seq.;

B. DPS entered into that certain Interlocal Agreement, dated as of June 24, 2011, with Eastern Michigan University Board of Regents (the "Interlocal Agreement"), to create the EAA, fulfill the public educational purposes set forth therein, including the goal of providing flexible, transparent, safe, efficient and effective public educational services;

C. DPS is desirous of providing certain services to EAA and EAA is desirous of receiving such services from DPS;

D. DPS and EAA are authorized, in addition to the Interlocal Agreement, to enter into this Agreement pursuant to Section 11a(4) of the School Code, MCL 380.11a(4), which provides in part that the Parties may enter into agreements or cooperative arrangements with other entities, public or private, and

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, DPS and EAA agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1. Services The Parties agree that the services to be performed ("Services") by DPS under by this Agreement, the schedule for the performance of the Services, any identifiable work product to be delivered by DPS, the rates for the Services ("Fees"), and any other terms that apply to the Services, are set forth in Exhibit A, Selected Services. Exhibit A, Selected Services, may be amended and revised by the Parties to add or remove services without the necessity of amending this entire Agreement and any such amended Exhibit A shall supersede the prior Exhibit A to the extent set forth therein and shall become part of and be governed by the terms of this Agreement.

Section 1.2. Delegated Authority. Acting under and in the exercise of such authority, the EAA hereby delegates to DPS, to the extent permitted by law, specified functions relating to the provision of Services for the operation of the EAA's educational program.

Section 1.3. Status of the Parties. DPS is a body corporate and general powers school district, and is not a division or a part of the EAA. The EAA is a body corporate and special authority, and is not a division or part of DPS. The relationship between DPS and the EAA is based solely on the terms of this Agreement and other agreements between the parties. The parties to this Agreement acknowledge that the relationship between them created by this Agreement is that of an independent contractor for hired services, and that except as expressly set forth in this Agreement, no employee of DPS shall be deemed to be an agent or employee of the EAA. DPS will be solely responsible for its acts and the acts of its agents, employees and subcontractors. The relationship between EAA and DPS shall not be that of partners, agents, or joint venturers for one another, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes, including, without limitation, for federal income tax purposes. No provision of this Agreement shall be for the benefit of any party other than DPS and the EAA.

Section 1.4. Independent Contractor/Designation of Agents. The parties to this Agreement intend that the relationship between them is that of an independent contractor, not as an employee-employer relationship. The relationship between the parties was developed and entered into through arm's length negotiations and is based solely on the terms of this Agreement. No agent or employee of the DPS shall be determined to be an agent or employee of the EAA for any reason or purpose. No agent or employee of DPS shall be determined to be an agent of the EAA, except as follows:

(a) DPS, and its respective officers, directors, employees and designated agents are each hereby authorized to serve as agents of the EAA having a legitimate educational interest in the Program and its students for purposes of the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g et seq., ("FERPA"), such that they are jointly and severally entitled to access the EAA's educational records of the EAA's educational program for all purposes related to FERPA. DPS and its respective employees and authorized agents and representatives, having a legitimate need to access education record information as defined by FERPA, shall be designated as "school officials" through the authority granted in this Agreement or appropriate action of the EAA.

(b) During the term of this Agreement, the EAA may disclose confidential data and information to DPS, and its respective officers, directors, employees and designated agents to the extent permitted by applicable law, including without limitation, the Individuals with Disabilities Education Act ("IDEA"), 20 USC §1401 et seq., 34 CFR 300.610 – 300.626; Section 504 of the Rehabilitation Act of 1973, 29 USC §794a, 34 CFR 104.36; the Michigan Mandatory Special Education Act, MCL 380.1701 et seq.; the Americans with Disabilities Act, 42 USC §12101 et seq.; the Health Insurance Portability and Accountability Act ("HIPAA"), 42 USC 1320d – 13200d-8; 45 CFR 160, 162 and 164; and social security numbers, as protected by the federal Privacy Act of 1974, 5 USC §552a; and the Michigan Social Security Number Privacy Act, MCL 445.84.

(c) As otherwise expressly designated by written agreement of the parties with consent from anyone whose consent is required by law.

Section 1.5. DPS Employees. The Services to be performed by DPS shall be performed by DPS employees or independent contractors of DPS. A DPS employee performing the Services of DPS under this Agreement is an employee of DPS for all purposes and is not an employee of the EAA for any purpose. DPS shall be responsible for ensuring that its employees or independent contractors who are delivering the Services under this Agreement are properly certified or licensed as required by applicable law.

DPS shall have the sole authority to select, hire, evaluate, assign, discipline, transfer and terminate the employment of all DPS employees providing Services under this Agreement. DPS shall be the employer of all individuals providing the Services and DPS will be responsible for the payment of all costs attributable to DPS employees, including wages, salaries, health insurance benefits, retirement benefits, unemployment costs, workers compensation costs, and liability insurance costs. DPS will not assign any employee or independent contract to provide Services under this Agreement who has not successfully completed a pre-employment background check (including criminal history, criminal background and unprofessional conduct checks) and credential or licensing verification.

ARTICLE II
COMPENSATION

Section 2.1. Compensation and Invoicing. (a) DPS shall submit to the EAA monthly invoices on the first day of the month for Services to be performed in the up-coming month. Any services provided on an hourly rate basis will be billed as incurred and will be payable as set forth on an applicable invoice. Invoices shall be submitted to Education Achievement Authority, 3044 West Grand Boulevard, # 14-550, Detroit, Michigan 48202-3037, Attention: Accounts Payable. All fees for services rendered and expenses set forth in the applicable invoice shall include any applicable sales or other taxes or duties.

(b) The EAA shall pay invoices within thirty (30) days after receipt of an invoice from DPS.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to DPS as follows and acknowledges that DPS is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1. Organization and Good Standing. EAA is a duly organized, validly existing and in good standing under the laws of the State of Michigan, and is duly authorized to do business in the state of Michigan.

Section 3.2. Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of

this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3. No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF DPS

DPS represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1. Power and Authority. DPS has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of DPS and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by DPS of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of DPS in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.2. No Conflict or Breach. The execution, delivery and performance by DPS of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon DPS or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE V
TERM AND TERMINATION

Section 5.1. Term. Unless earlier terminated as set forth below, this Agreement commences on the Effective Date and shall continue for one (1) year from the date of this Agreement. The Term of this Agreement may be extended and renewed by DPS for four renewal periods (each a "Renewal Term", and together with the Initial Term, sometimes referred to herein as

the "Term"), by DPS's provision of written notice of its intent to renew the Agreement, including any changes in the rate, thirty (30) days prior to the end of the Initial Term or any Renewal Term.

Section 5.2. Termination. (a) If either party violates any of the covenants or duties imposed upon it by this Agreement, such violation shall entitle the other party to terminate this Agreement, in full or in part, in accordance with the following procedure: The non-defaulting party shall give the offending party thirty (30) days' written notice of default and the opportunity to remedy the violation. If at the end of such 30-day default notice period, the party notified has not remedied the purported violation, the non-defaulting party may terminate this Agreement immediately.

(b) DPS reserves the absolute right without cause to cancel this Agreement effective at the end of the Initial Term or any Renewal Term to terminate this Agreement for convenience with fourteen (14) days' written notice to the EAA.

(c) EAA reserves the absolute right without cause to cancel this Agreement if (i) EAA is prohibited by applicable law or final court order from establishing, authorizing, managing or operating a public school; or (ii) EAA is prohibited by applicable law or final court order from receiving the necessary state and federal funds for establishing, authorizing, managing or operating a public school.

Section 5.3. Effect of Termination. Upon termination or expiration of this Agreement, DPS shall be entitled to payment for Services performed prior to the effective date of termination.

ARTICLE VI
WARRANTIES, DAMAGES AND INDEMNIFICATION

Section 6.1. Dual Indemnification. To the extent permitted by law, the parties agrees to indemnify, hold harmless and defend each other, their respective governing boards, and all administrators, employees, students, volunteers, agents, or servants of either party, against all suits, actions, legal proceedings, claims and demands, and against all damages, loss, costs, expenses (including attorney's fees), in a manner caused by, arising from, incidental to, connected with or growing out of their performance of this Agreement or breach thereof, to the extent that such actions are not caused by the sole negligence of the breaching party, their respective governing boards, and all administrators, employees, students, volunteers, agents or servants of either party.

Section 6.2. No Special Damages. Notwithstanding any other provision hereof, DPS shall not be liable for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of DPS's governmental immunity, where applicable.

Section 6.3. Disclaimer of Warranties. DISTRICT MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF

MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT OR ANY APPLICABLE SERVICE ORDER.

ARTICLE VII
GENERAL PROVISIONS

Section 7.1. Insurance.

(a) DPS is self-insured.

(b) EAA shall maintain such insurance as is reasonable and customary for its business.

Section 7.2. Audit, Examination and Retention of Records. Each Party will maintain records of any obligations performed, and any payments received or costs incurred under this Agreement. The records will be kept in accordance with generally accepted accounting principles. DPS agrees to maintain accurate books and records in connection with DPS's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services) will be held for a period of two (2) years after the expiration or termination of this Agreement. EAA representatives may, once a year and with no less than five (5) business days' written notice, and at EAA's expense, inspect and audit District's compliance with the provisions of this Agreement, including District's books and records in connection with District's performance of the Services hereunder.

Section 7.3. Sections and Headings. The division of this Agreement into articles, sections and subsections and the insertion of headings are for the convenience of reference only and shall not affect the interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an article, section, subsection, schedule or exhibit refers to the specified article, section or subsection of, or schedule or exhibit to, this Agreement.

Section 7.4. Number, Gender and Pronouns. Words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, limited liability companies, associations, trusts, governmental bodies and other legal or business entities of any kind.

Section 7.5. Entire Agreement and Amendments. This Agreement (including the schedules and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, discussions and understandings between the parties related to the Services. This Agreement may be amended only by a written instrument duly executed by all parties hereto.

Section 7.6. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 7.7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 7.8. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other party.

Section 7.9. Benefit. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or document delivered pursuant, it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 7.10. Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 7.11. Notices. All written notices, consents, approvals, requests and other communications ("Notices") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to DPS, to:
The School District of the City of Detroit
Fisher Building
7307 Second Avenue, 11th Floor
Detroit, Michigan 48202
Attention: Chief Procurement Officer

With a copy to:
The School District of the City of Detroit
Fisher Building
3011 W. Grand Boulevard, 10th Floor
Detroit, Michigan 48202
Attention: General Counsel

If to the EAA, to:
Education Achievement Authority
3044 West Grand Boulevard, # 14-550
Detroit, Michigan 48202-3037
Attention: Chancellor

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 7.11.

Section 7.12. Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

Section 7.13. No Assignment. The EAA shall not assign or transfer the whole or any part of this Agreement or any monies due or to become due hereunder without the prior written approval of DPS.

Section 7.14. Reservation of Rights. This Agreement does not, and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, or other legal right, privilege, power, obligation, duty or immunity of the Parties, and shall not be construed to waive any governmental immunity held by either Party.

Section 7.15. Dispute Resolution. The parties hereto will endeavor to resolve in good faith any controversy, disagreement or claim arising between them, whether as to the interpretation, performance or operation of this Agreement or any rights or obligations hereunder.

Section 7.16. Severability. The invalidity of any article, section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions hereof, which remain valid and be enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

SCHOOL DISTRICT OF THE CITY OF DETROIT

By:_____
Roy S. Roberts
Its: Emergency Manager

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John Covington
Its: Chancellor

DRAFT

EXHIBIT A

Selected Services, Terms and Pricing

I. Information Technology

A. Network Operations Services:

DPS shall provide Network Operations Services ("NOS") to the EAA at a cost per school of $1,014.65 per month. NOS services shall consist of the following and DPS reserves the right to change the software or provider utilized to provide any service hereunder:

- High-Speed Internet Access - Merit 1Gb Connection
- CIPA Compliant Content Filtering - Redundant FortiGate UTM
- Wired & Wireless LAN Access & Support - Cisco Network Switches and Wireless Access Points
- 100-1000 Mbps Fiber Optic WAN Connection - ATT Opteman Network
- 27 X 7 LAN & WAN Network Monitoring - Vantage, Solarwinds and Symantec AntiVirus
- Network Infrastructure Design & Repairs - Includes all Associated Help Desk and Equipment Service

Total Monthly Network ops per school (minimum of 15 schools) $15,219.75

Annual Costs Network ops for all 15 schools $182,637.00

B. Telecommunications.

- Telecommunications (ISDN PRI Services for every 24 lines) $60.63 monthly
- Telecommunications Centrex Services $2.44 per line per month
- Voice Mail Per Box $1.32 per line per month

Monthly Total Telecom cost, based on current existing telecom design and structure: $1,573.18, for an annual cost of $18,878.16. Any changes to the existing structure may cause cost to vary from the foregoing

C. MACR Services:

- Phone & Network Cabling Move, Add, Change and Repair (MACR) services: $56.18 per hour, per resource, plus the costs of any parts; an estimate will be provided and agreed to in writing prior to the provision of services.

D. Other Services. DPs shall only provide the IT Services listed above; any other IT services required by the EAA of DPS, which are listed below shall be at the rates set forth below:

1. Field Repair, Deployment Services & In Shop Support, consisting of:

a. Field Repair (Desktops, Laptops, Netbooks, Apple Computers, Printers, AudioVisual (Paging/Smartboard/Speaker/Projectors) shall be at a rate of $78.65 per hour, per resource, plus the cost of any required parts; an estimate will be provided and agreed to in writing prior to the provision of services.

b. Deployment Services (including project management, equipment transportation and installation services) shall be at a rate of $78.65 per hour, per resource, plus the cost of any required parts; an estimate will be provided and agreed to in writing prior to the provision of services.

c. In Shop Repair (to be performed at DPS' Repair Facility, located at 1425 East Warren Ave., Detroit, Michigan 48207) shall be at a rate of $48.31 per hour, plus the cost of any required parts; an estimate will be provided and agreed to in writing prior to the provision of services.

2. Web Site Hosting & Support Services, consisting of:

a. Hosting – FREE annually

b. $70 per hour (for initial web development with minimum 8 hrs)

c. 1 Year Support & Maintenance ($90 per support credit hr - minimum 2 hrs per year)

3. Erate Program Consulting Services, including, but not limited to, identifying and recommending Erate opportunities, preparing and reviewing application and accompanying documentation, interfacing with School and Library Division Program Integrity Group and invoice audit service, shall be at a rate of $123.59 per hour.

DRAFT

EXHIBIT B

Selected Services, Terms and Pricing

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused this Exhibits A and B to be signed by their duly authorized representatives as of the _____ day of _____, 20__.

SCHOOL DISTRICT OF THE CITY OF DETROIT

By:_____

Its:_____

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John Covington
Its: Chancellor

DRAFT

Chancellor Updates

H

July 13, 2012

Education Achievement Authority of Michigan

Data Connectivity
Proposal Pricing Summary

Data Connections

OPT-E-MAN and Managed Router Service at Cadillac Building and WSU		Qty	Unit	Monthly	One-Time
OPT-E-MAN	1GB at Cadillac Building	1	$ 1,874.25	$ 1,875.00	$ 25,000.00
OPT-E-MAN	1GB at WSU	1	$ 1,874.25	$ 1,875.00	$ 5,000.00
OPT-E-MAN MRS	WSU Data Center (24 x 7)	1	$ 1,470.40	$ 1,470.40	
OPT-E-MAN MRS	Cadillac Bldg (8 x 5 x NBD)	1	$ 1,440.16	$ 1,440.16	
OPT-E-MAN MRS	Choke Router	1	$ 270.38	$ 270.38	
AVPN	64kb port for remote management	1	$ 97.02	$ 97.02	
AVPN Access	1.5MB Local Access	1	$ 231.20	$ 231.20	
	Total			**$ 7,259.16**	**$ 30,000.00**

Because EAA is part of the RESA consortium granting data access to for EAA for OPT-E-MAN connections should be fairly simple. RESA can provide EAA the necessary bandwidth to access their services and AT&T will provision an EVC specifically for EAA for no additional charge. In the diagram provided previously, we had a 100 Mbps EVC provisioned to carry EAA traffic from RESA. The request must be submitted to RESA and they can place the orders.

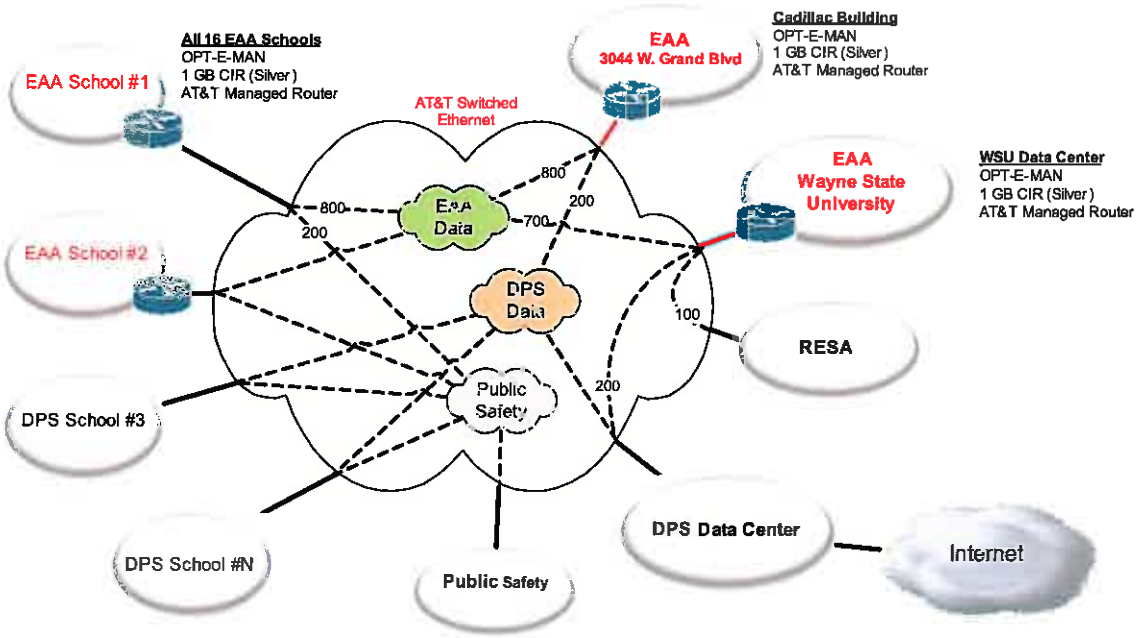
Please let us know if you have any questions, we will be more than happy to help.

Installation Time Frame

Installation for the OPT-E-MAN and Managed Router to the sites identified is 8-10 weeks after contract signature. Given that AT&T has OPT-E-MAN service and fiber to Cadillac, RESA, and WSU we are not anticipating problems at this point and schedules can and be expedited.

Current Detroit Public Schools OPT-E-MAN configuration

Proposed Design for OPT-E-MAN for EAA



July 13, 2012

Education Achievement Authority of Michigan

VoIP
Proposal Pricing Summary

VoIP

Voice DNA Delivered to Cadillac Building (20 Users)		Qty	Unit	Monthly	One-Time
Voice DNA	Premium w/ Voice Mail	20	$ 28.91	$ 578.20	$ 1,452.00
Voice DNA	Phone Numbers	20	$ 0.24	$ 4.80	
Voice DNA	Auto Attendant	4	$ 10.00	$ 40.00	
Voice DNA	IP-Phones (321 2-line)	19	$ 122.32		$ 3,730.08
Voice DNA	IP-Phones (650 6-line)	1	$ 395.12		$ 469.12
SRST	Site Survivability	1	$ 70.00	$ 70.00	$ 100.00
AVPN	1.5MB Port	1	$ 239.12	$ 239.12	
AVPN	1.5MB CoS	1	$ 33.32	$ 33.32	
AVPN	AT&T Managed Router (Basic Router)	1	$ 247.50	$ 247.50	
AVPN Access	1.5MB	1	$ 231.20	$ 231.20	
POTS Lines	Backup / Survivability	2	$ 23.00	$ 46.00	
	Total			**$ 1,490.14**	**$ 5,751.20**

The per seat pricing we quoted above is the worst case. There are also pricing packages for Standard and Enhanced that are cheaper per month. Premium assumes that all users need voice mail, which would probably be the norm, however I am sure that you will have conference rooms and entry way phones that might not need that.

Number of Seats	Standard	Enhanced	Premium
<50	$ 24.01	$ 26.46	$ 28.91
50 - 499	$ 15.00	$ 16.00	$ 17.00
500 - 1999	$ 12.00	$ 13.00	$ 15.00
2000+	$ 10.00	$ 12.00	$ 14.00

Installation

Time frames for VDNA installation is approximately 4-5 months. Installation would take place 90-100 days after the contract is signed. Attached are the steps for the required, we started to generate contracts and a scope of work.

Process

1. AT&T submits a request for resources to develop a VDNA contract. – completed as of 7/12/12
2. A telephone survey is scheduled by the AT&T Design Engineer with the customer to understand customer LAN/WAN environment.*
3. Engineer/TSC submits the data gather for a review process.
4. The review boards confirms system requirements and the network design is confirmed.
5. Then review board approves the request.
6. A VDNA contract is generated for customer signature.

* An engineer is already assigned to EAA and we can begin the survey immediately of your LAN/WAN.

Chancellor Updates

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this 26th day of June, **2012** ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and [International Institute for Restorative Practices (IIRP)] ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1 Organization and Good Standing. Vendor is duly organized, validly existing and in good standing under the laws of the State of [_____], has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 Conflicts; No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has disclosed in writing any existing conflicts of interest involving EAA, and that it will disclose in writing to EAA any conflicts that arise during the term of this Agreement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. Vendor has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to EAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

International Institute for Restorative Practices (IIRP)
P.O. Box 229
Bethlehem, PA 18016
Attention: John Bailie

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John William Covington. Ed.D.

Title:_____
Chancellor

Date:_____

International Institute for Restorative Practices (IIRP)

By:_____, IIRP
John Bailie

Title: Director
Director of IIRP Continuing Education

Date: 6/26/12

Exhibit A

Service Order

[To be inserted.]

Basic Restorative Practices Institute
February 22, 2012
Revised: June 26, 2012
Prepared for:
Michigan Education Achievement System

To be delivered August 9th and 10th, 2012

Professional Development:

Based on 500 staff, 2 consecutive days, 11 Instructors

Introduction to Restorative Practices (11 instructors)	$ 22,000.00
Restorative Practices Handbook ($10 @ per person)	$ 5,000.00
Using Circles Effectively (11 instructors)	$ 22,000.00
Restorative Circles in Schools book ($10 per person)	$ 5,000.00
Trainer Travel Expenses:	$ 24,496.00
Total cost of 2 days of Professional Development:	***$ 78,496.00***

To Be Determined:

Whole School Change cost per School:

Based on staff of 45 or less

Facilitating Restorative Conferences (1 instructor)	$ 2,000.00
Restorative Justice Conferencing book ($30 per person)	$ 1,350.00
Family Engagement and Empowerment (1 instructor)	$ 2,000.00
Family Power book ($10 per person)	$ 450.00
On-Site Consulting Days (4 days)	$ 8,000.00
Implementation Start Up session	$ 2,000.00
Overall Project Coordination and Support	$ 9,000.00
Cost of Whole School Change Implementation	**$ 24 800.00**

Trainer Travel Expenses for Whole School Change: Will vary depend on size of school and how events are scheduled

Whole School Change cost per School
Based on staff of 90 or less

Facilitating Restorative Conferences (2 instructor)	$ 4,000.00
Restorative Justice Conferencing book ($30 per person)	$ 2,700.00
Family Engagement and Empowerment (1 instructor)	$ 4,000.00
Family Power book ($10 per person)	$ 900.00
On-Site Consulting Days (4 days)	$ 8,000.00
Implementation Start Up session	$ 2,000.00
Overall Project Coordination and Support	$ 9,000.00
Cost of Whole School Change Implementation	**$ 30,600.00**

Trainer Travel Expenses for Whole School Change: Will vary depend on size of school and how events are scheduled

Select group of staff who are trained to provide ongoing training for new hires:

Training of Trainers (maximum 12 trainees to become Licensed Trainers)	$ 8,000.00
Trainer Travel Expenses:	$ 2,955.00
Total cost of Training of Trainers	*$ 10,955.00*

**Minimal Annual Licensed Trainer Fee **

Terms of Payment:

$9,000 Overall Project Coordination and Support per school would be invoiced and due upon signing of each school. All other amounts due would be invoiced as services are rendered.

The undersigned agree to the costs and terms of the above proposal.

_____ _____

Agency Authorized Signature Date

_____

Print Name and Title

_____ _____

IIRP Authorized Signature Date

_____

Print Name and Title

Chancellor Updates

J

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this ___ day of JUNE, 2012 ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and Knovation, Inc. ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1 Organization and Good Standing. Vendor is duly organized, validly existing and in good standing under the laws of the State of Delaware, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 Conflicts; No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has disclosed in writing any existing conflicts of interest involving EAA, and that it will disclose in writing to EAA any conflicts that arise during the term of this Agreement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. Vendor has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to EAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

Knovation, Inc.
3630 Park 42 Drive, Suite 170F
Cincinnati, Ohio 45241
Attention: Julie Seibert

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John William Covington, Ed.D.

Title:_____
Chancellor

Date:_____

KNOVATION, INC.

By:_____
Julie Seibert

Title:_____
Vice President and Controller

Date:_____

_____
LEGAL COUNSEL
Approved As to Form

Exhibit A

Service Order

[To be inserted.]

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this ___ day of JUNE, 2012 ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and Knovation, Inc. ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

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ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

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Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

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Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 Conflicts; No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has disclosed in writing any existing conflicts of interest involving EAA, and that it will disclose in writing to EAA any conflicts that arise during the term of this Agreement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. Vendor has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to EAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

Knovation, Inc.
3630 Park 42 Drive, Suite 170F
Cincinnati, Ohio 45241
Attention: Julie Seibert

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John William Covington, Ed.D.

Title:_____
Chancellor

Date:_____

KNOVATION, INC.

By:_____
Julie Seibert

Title:_____
Vice President and Controller

Date:_____

_____
LEGAL COUNSEL
Approved As to Form

Exhibit A

Service Order

[To be inserted.]

netTrekker SEARCH

KNOVATION
Making Learning Personal

3620 Park 42 Drive
Suite 170F
Cincinnati, OH 45241

p. 513.731.4500
free 877.517.1125
f 513.731.1719
knovation@knovationlearning.com

netTrekker Search Proposal for
Education Achievement Authority

June 20, 2012

Grant Slusher
Regional Manager
gslusher@knovationlearning.com
p. 513.800.9600

KNOVATION

June 20, 2012

Education Achievement Authority
3022 West Grand Blvd. Suite 14-652
Detroit, MI 48202

Dear Dr. Esselman,

Thank you for sharing with us your vision for creating a 21st century learner-centered environment in your school district. We are honored that you have invited Knovation to partner in this important work and partnership in creating learning moments.

- As outlined in this proposal, we will deliver netTrekker Search, the leading educational search tool used by millions of K-12 educators and students for over ten years, bringing standards-aligned, teacher-approved digital resources and a unique set of learning tools into the classroom to create an engaging 21st century learning environment. As part of this initiative, we will bring our team's expertise to fully engage your staff, stakeholders in embracing digital content as a vital tool for transforming learning in your district.

- Specific our services include netTrekker Search access for your educators, students and parents, implementation, including ongoing support and communications, and professional learning for your teaching staff and district leaders.

The following proposal includes an overview of your district's challenges and vision for the future, description of our netTrekker Search educational search tool, strategy for success, and contract authorization. Please return the contract authorization page with your signature so that we may begin planning with you for your implementation to ensure successful roll out in your district.

On behalf of our entire Knovation team, thank you

Sincerely,

Grant Slusher
Regional Manager
gslusher@knovationlearning.com
p 513.800.9800

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About netTrekker Search

netTrekker Search, the leading educational search tool trusted by millions of K-12 educators and students for over ten years, brings standards-aligned, teacher-approved digital resources and a unique set of learning tools into the classroom to create an engaging 21st century learning environment.

Empower learning with engaging, relevant digital resources

- Get the best, most relevant educational resources on the web
- 330,000 teacher-vetted digital resources aligned with state and Common Core standards
- Digital content from leading providers including PrintFOPs, Defined STEM, Weekly Reader Express and hundreds more for teaching all K-12 curriculum subjects including STEM and 21st century skills
- Support all K-12 subject areas with engaging digital resources in a variety of types and formats

Empower teachers to find exactly what they need.

- Quickly find digital resources aligned to more meaningful lessons
- Easily sort and refine by reading level, grade, format, subject, multimedia type, language and accommodations
- Effectively differentiate digital resources to reach every student
- Conveniently access teacher-specific content, including standards, lesson plans and more
- Save, organize and share digital resources

Empower students to learn independently.

- Enable students to instantly find the resources they need for homework and projects
- Spark creativity with a safe, school-friendly image search
- Increase understanding with Read Aloud text-to-speech support, the dictionary/translation tool kit, and ELL specific resources
- Give parents resources and tools to support learning at home with 24/7 web based access

Empower the 21st century classroom

- Merge key 21st century skills with core curriculum topics
- Teach students to effectively access, research, evaluate and use information from a variety of sources
- Integrate digital resources with many other technology programs, including
  - Assessment
  - Library Automation
  - Interactive Whiteboards
  - Web 2.0 Tools
  - District Portals

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netTrekker Search Content

netTrekker Search delivers a comprehensive collection of 330,000 digital learning resources aligned to state and Common Core standards. netTrekker Search includes digital content from leading providers for teaching all K-12 curriculum subjects, including STEM and 21st century skills.

BrainPOP

BrainPOP's animated, curriculum-based resources encompass hundreds of curricular topics within science, math, social studies, English, technology, arts & music, health, reading, and writing.

- Standards-aligned content
- Supports differentiated instruction
- Animated movies, quizzes, vocabulary pages, and activities engage students and help increase comprehension

Defined STEM

Defined STEM is Discovery Learning's web-based application designed to promote effective and relevant connections between STEM classroom content and real-world applications.

- Career-based videos that demonstrate the importance of math and science
- Checklists and guiding questions
- Performance tasks for project-based learning
- Interactive simulations, multimedia, student products and activities, lesson plans, teacher guides

Weekly Reader Express

- All of Weekly Reader's 7,000+ K-12 resources are written by experts
- Promote literacy skills such as reading comprehension
- Develop critical thinking skills

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netTrekker Search Content

Other content collections in netTrekker Search include resources from these trusted providers and hundreds more.

SMART
SMART's notebook lessons and activities are created in a subject-specific template with an age-appropriate design. Many have interactive multimedia files and dynamic graphics to enhance students' learning experiences.

Prometheus Planet
Prometheus Planet offers thousands of classroom-ready, teacher-created interactive whiteboard flipcharts exploring many different subject areas.

Teachers' Domain
WGBH Educational Foundation Teachers' Domain provides high-quality, multimedia content and offers media-rich tools to present science concepts in high-impact, engaging, and interactive ways.

TeachEngineering
TeachEngineering's lessons combine real-world experiences with curriculum content aligned to grades K-12 classrooms. Designed in accordance with educational content standards, TeachEngineering's content is comprehensive, curious and hands-on... and relevant to children's daily lives.

Texas Instruments
Texas Instruments' educator-created activities using TI technology include downloadable information and/or software for the TI calculators used in classroom instruction.

Quia
Quia's unique assessments are created by over one million registered educators. This resource also provides educators the ability to create customized educational content online.

PBS TeacherSource
PBS TeacherSource provides cross-curricular resources including lesson plans, videos, and online materials from a wide variety of high-quality PBS programming.

GLOBIO
GLOBIO's Clearinghouse resources focus on Biology, Earth and Space Science, and include expert photographs, videos, and audio clips.

National Humanities Center
National Humanities Center, an independent institute for advanced study, produces an array of resources in American History and Literature.

And hundreds more...

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Implementation and Professional Learning

As part of our Strategy for Success, we will work with you to create an Implementation and Professional Learning Plan. This will include:

- **Online Help:** Comprehensive Help system built into netTrekker Search, including quick access to in-product tutorial videos for students, teachers, and admins. Downloadable Quick Start Guide. Online tutorials for educators, students/parents.

- **On-going Communications Support:** Tools to encourage district stakeholders to take full advantage your netTrekker Search subscription and professional learning opportunities. Monthly Teacher Tips email, Newsletters, Social media messaging: Facebook, Twitter, Communications toolkit to encourage parent and student engagement and community awareness.

- **KNOW NEW IDEAS:** Access to an online learning community, for educators to share their passion for teaching and accelerate use of digital resources in everyday teaching practice. Moderated forum. Access to experts. Groups created on request. www.KnowNewIdeas.com

- **Pre-scheduled Webinars:** Topical Webinars available to cross-district stakeholders nationwide. Monthly offerings recorded for playback.

- **Professional Learning Credit Options:** It is critical that we provide districts with high quality professional learning focused on their specific curriculum needs. Offering districts a choice in the type of professional learning delivery models ensures successful implementation and use. Credit options are listed below.

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Professional Learning Options and Credits

Please see pricing table for annual credits included in your subscription.

Professional Learning Options	Description	Credits
Scheduled Webinars	• Customized for your district • Recorded for playback • Support materials • Up to 1 hour	1 credit
Online Courses	• Facilitated by an educational expert • Two 8 minute available for activity • 15 hour, 4 week courses • College credit available through Kaplan University	1 credit / 2 credit
Online Sessions (up to 5 hours)	• Online synchronous three 3 hour sessions • Confidential courses • School based [illegible] process (Train the Trainer) • Up to 20 participants per session • Follow-up support through social learning platform	3 credits
Online Coaching	• One-on-one • Small group • Delivery [illegible]	1 credit
Learning Communities	• Year long experience • Includes 2 face-to-face sessions, 5 live webinar sessions • Ongoing coaching through social learning platform • 3 teams, 5 educators per team	10 credits

NOTE: *Professional learning credits must be utilized within each subscription year. Additional credits targeted to any of your stakeholder audiences are available for purchase.*

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Pricing Proposal and Contract Authorization for Education Achievement Authority

This chart details netTrekker Search subscription options for the dates and enrollment totals you provided.

netTrekker Search Subscription Pricing Table	
Select an Option	☐
Subscription Length	12 months
Enrollment	11,447
Professional Learning Credits	0
Total Invoice	$9,667.00

Multi-year subscriptions are available

Additional Information:

netTrekker Search Support and Documentation: http://school.nettrekker.com/html/rhelp/WebHelp_Admin/school_help.htm#
Subscription Terms and Conditions: http://www.knovationlearning.com/nettrekker-search/terms-and-conditions
Knovation Product Terms of Use: http://www.knovationlearning.com/support/terms-of-use

Contract Authorization:

Please complete and return this contract with a purchase order to Knovation by one of the following options:

(mail) Knovation, 3639 Park 42 Drive, Suite 170F, Cincinnati, OH 45241
(e-mail) finance@knovationlearning.com
(fax) 513-791-1710

Name: Title:

Signature: Date:

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About Knovation

Based in Cincinnati, Ohio, Knovation is dedicated to transforming education from a one-way, one-size-fits-all to a learner-centered approach that minimizes environmental, emotional, functional and stylistic learning barriers and is customized to the unique needs of every learner.

Founded in 1998, Knovation's platform, netTrekker Search, is widely recognized as the leading standards-based educational search tool and currently serves millions of students in thousands of K-12 public and private schools across the U.S., Canada and Puerto Rico. The vision of Knovation is to *[illegible] hope of learning by reducing the barriers to learning.*

- A mission-driven group of academic, technology and business professionals passionate about making a difference in the lives of learners and those that make learning possible, Knovation delivers standards-based, personalized, digital content solutions that empower learners to unlock their curiosity and potential. The Knovation product portfolio includes *Iconic*, the digital curriculum content solution for personalized learning; netTrekker Search, the company's educational search product; and *[illegible]* for personalized student workspace solution developed in partnership with Laus Learning.

- Knovation is developing digital transformation services including consultation, planning and professional learning around the transition from analog to digital within a classroom.

www.knovationlearning.com

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Appendix A

Steps for a Successful Implementation

The following outlines the four key steps for a successful program. Contract must be received minimum 3 weeks prior to subscription activation. Our team will work with you to develop a detailed timeline.

Strategic Commitment
District Leadership

- Communicates vision to stakeholders
- Relates netTrekker Search to district initiatives, clarifies roles, works with netTrekker Search implementation team to establish overall success metrics
- Signs-off on implementation plan

Implementation Plan
Technical

- District confirms technical environment, success metrics and provides login information for educators and students.
  - Knovation Customer Support and Implementation Manager provides professional learning on netTrekker Search administrative tools.
  - Knovation activates netTrekker Search subscription based user logins.

Communications Plan

- District and Knovation establish an going communications plan
- Knovation provides netTrekker Search implementation email templates, educator and student/parents login information, overview video, tutorials, interactive guide. District implements with Knovation support.
- Knovation and district leverage communication opportunities (e.g., login reminder cards, newsletters, meetings) and targeted approaches to reach broad educator, student, and parent audiences.

Professional Learning
Planning

- District and Knovation will co-develop a customized professional learning plan based on stated district vision and desired outcomes for the netTrekker Search implementation.

Delivery

- Knovation professional learning experts will conduct professional learning using a variety of delivery models to meet the needs of educators across the district.

Impact and Satisfaction
Satisfaction & Impact

- Using the success metrics developed during implementation, Knovation will provide the district with tools and strategies, such as surveys, for measuring mid-year and end-of-year satisfaction and impact and collaborates with district to address unmet needs and explore new ideas.

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Appendix B

School List

School	Enrollment	Grade Span
Dunn Elementary-Middle School	590	PreK-8
Century Collegiate Academy	785	9-12
Dunby High School	1,167	9-12
Bethune Elementary-Middle School	710	PreK-8
Ford High School	505	9-12
Law Elementary School	711	PreK-8
Mumford High School	1083	9-12
Murphy Elementary-Middle School	522	PreK-8
Nixon Elementary-Middle School	613	K-8
Perenica High School	843	9-12
Southeastern High School	1,118	9-12
Tyler Elementary-Middle School	391	PreK-8
Phoenix Elementary-Middle School	438	PreK-8
Steven Elementary-Middle School	505	K-8
Brenda Scott Academy for Theatre Arts	829	PreK-8

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Appendix C Weekly Reader Express and Youngzine:

Weekly Reader Express:

"Weekly Reader Express broadens students' knowledge, helps them relate to real-life experiences, builds reading skills, and provides engaging material to help students grow academically." — Kevin Simmons, Assistant Principal, PA Cyber Charter School

All Weekly Reader Express content is written by experts who know children and how they learn. It's a wonderful supplement to support your efforts in the classroom. This exciting addition is just one more way to provide you with the tools to help in learning and success!

- Promote literacy skills such as reading comprehension
- Develop critical-thinking skills
- Spark curiosity about the world around us
- Build general knowledge
- Help with lesson planning

...and even more resources will be added every quarter!

Weekly Reader Express offers your school and district an additional 7,000+ K-12 resources

Weekly Reader Express is a collection of age-appropriate K-12 articles and resources that teachers and students have loved and trusted for years, now available in a digital format and delivered conveniently through netTrekker Search.

Weekly Reader Express Content Supports the Complete K-12 Curriculum

Youngzine:

Youngzine enhances Knovation's product solutions by incorporating news and information that is shaping the world of young people in categories including "world news," "science & technology," "our earth" and "society & arts." The site also includes trivia, compelling visuals and videos, and encourages young readers to express their views, submit articles, book reviews or travelogues. In addition to access to the site's regular news content, the integration with Knovation's solutions will also include weekly highlighted articles in the Current Events section in both netTrekker and Icurio.

Until now, access to news and current events through netTrekker Search and Icurio came solely through links to various newspapers and other mainstream news feeds. Now, with

Youngzine, we are adding a new way for students to access information and news in a way that is engaging, unbiased, easy to use and age appropriate," said Joe Grieshop, president and managing officer of Knovation.

"Youngzine's content goes beyond simply stating the news by relating the context behind real world events to concepts children learn in classrooms, thereby making learning relevant. For example, news about a recent earthquake is presented in context with the lessons that students are learning about Earth's tectonic plates," said Deepa Gopal, founder and editor of Youngzine.

Chancellor Updates

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MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement**") is entered into this 25th day of June, 2012 ("**Effective Date**") between the Education Achievement Authority, a Michigan public body corporate ("**EAA**") and Envision Education, Inc. ("**Vendor**").

WHEREAS, EAA desires to retain Vendor to provide certain services as described herein upon the terms and conditions set forth herein and Vendor is willing to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
SERVICES TO BE PROVIDED

Section 1.1 Services. Each individual service to be provided by Vendor to EAA under this Agreement will be defined by a Service Order in the form of the template attached as **Exhibit A**. Each Service Order shall be signed by both parties and will describe the services to be performed ("**Services**"), the schedule for the performance of the Services (the "**Period of Performance**"), any identifiable work product to be delivered by Vendor ("**Deliverables**"), the fixed price or hourly rate for the Services ("**Fees**"), and any other terms that apply to that specific Service Order ("**Special Terms**"). The parties anticipate the possibility of executing multiple Service Orders outlining separate engagements for services. Each Service Order, together with the terms of this Agreement, constitutes a separate contract that will be effective upon execution of the Service Order by the parties. Each Service Order shall be governed by the terms of this Agreement. Except for those Special Terms in the Service Order that expressly provide that they take precedence over this Agreement, in the event of a conflict between this Agreement and the terms of a Service Order, this Agreement shall govern.

ARTICLE II
COMPENSATION

Section 2.1 Fees. All Fees payable to Vendor during the term of this Agreement shall be reflected in each Service Order and shall remain fixed for the duration of the Service Order. Except for the Fees set forth in the applicable Service Order, there are no other fees or costs to be paid by EAA to Vendor. Notwithstanding the foregoing, Vendor acknowledges and agrees that the total amount payable to Vendor hereunder is subject to EAA's annual budgeted amount for such Services. Furthermore, amounts to be paid to Vendor shall not exceed the maximum dollar amount(s) specified in each Service Order, unless Vendor obtains the prior written approval of EAA and the parties execute a modified Service Order.

Section 2.2 Invoices. Vendor shall submit to EAA monthly invoices of Services performed in the previous month. Invoices shall be submitted to: 3022 W. Grand Blvd., Suite 14-652, Detroit, Michigan, 48202, Attention: Accounts Payable. EAA shall pay invoices for Services satisfactorily performed within 45 days after receipt of an invoice from Vendor. In the event that EAA reasonably disputes any amount that appears on an invoice received from Vendor, the parties shall

work together in good faith to resolve the dispute. EAA shall not be required to pay the disputed portion until the dispute is resolved; provided, however, that (i) EAA continues to pay any undisputed amounts consistent with this Agreement, and (ii) Vendor shall continue to provide all of the Services and otherwise perform its obligations under the Agreement. Nonpayment by EAA of disputed amounts shall not constitute a breach of EAA's obligations regarding payment to Vendor or otherwise be considered a basis for termination of this Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF EAA

EAA represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 3.1 Organization and Good Standing. EAA is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 3.2 Power and Authorization. EAA has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of EAA and its officers, directors and shareholders for the authorization, execution and delivery of this Agreement and the performance by EAA of its obligations hereunder have been taken. This Agreement, when executed and delivered, shall constitute the legal and binding obligation of EAA in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 3.3 No Conflict or Breach. The execution, delivery and performance by EAA of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon EAA or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to EAA as follows and acknowledges that EAA is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

Section 4.1 Organization and Good Standing. Vendor is duly organized, validly existing and in good standing under the laws of the State of California, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.

Section 4.2 Power and Authority. The Vendor has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Vendor and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the Vendor of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of the Vendor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

Section 4.3 No Conflict or Breach. The execution, delivery and performance by the Vendor of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Vendor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

Section 4.4 No Debarment, Pending Governmental Action or Record of Violations. Vendor has not been debarred by either the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. Vendor has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

Section 4.5 Conflicts; No Undue or Improper Influence or Inducement. Vendor represents and warrants that it has disclosed in writing any existing conflicts of interest involving EAA, and that it will disclose in writing to EAA any conflicts that arise during the term of this Agreement. Vendor represents and warrants that it has not and will not offer to EAA or any of EAA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with EAA.

Section 4.6 Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. Vendor's actions and performance of the Services throughout the term of this Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to EAA's operations or to which EAA is otherwise bound. Vendor has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of Vendor contained in this Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

ARTICLE V
TERM AND TERMINATION

Section 5.1 Term. This Agreement commences on the Effective Date and shall continue in effect so long as Services are being provided pursuant to a Service Order, or until terminated as provided herein.

Section 5.2 Termination.

(a) EAA may terminate this Agreement or any Service Order hereunder without cause by providing at least thirty days written notice of such termination to Vendor.

(b) Either party may terminate this Agreement for cause upon breach by the other party, which breach remains uncured thirty days after written notice describing such breach is given to the breaching party.

(c) This Agreement may be terminated immediately by a party upon (i) the commission of an illegal act, unethical practice, or violation of public policy, including theft or embezzlement, by the other party; (ii) conduct by the other party that may adversely affect a party, as determined by such party in its sole discretion, or (iii) the filing of bankruptcy by either party. Further, EAA may terminate this Agreement immediately upon the substantial failure of Vendor to perform the services that it is obligated to perform hereunder in a timely manner or breach by Vendor of the provisions of Article VI.

(d) Upon the expiration or termination of this Agreement or a Service Order for any reason, Vendor will cooperate with EAA in the orderly completion or transfer of Services and return of all EAA data and information, including any work in progress. Vendor will recover, as its sole remedy, payment for Services satisfactorily completed prior to such expiration or termination and not previously paid for by EAA. Vendor waives and forfeits all other claims for payment including, without limitation, anticipated profits or revenue or other economic loss arising out of or resulting from such termination or expiration.

ARTICLE VI
CONFIDENTIAL INFORMATION

Section 6.1 Standard of Care. Vendor acknowledges that it may receive or have access to EAA's "Confidential Information", as that term is defined below. Vendor will protect EAA's Confidential Information with the same degree of care as Vendor uses to avoid unauthorized use, disclosure, publication or dissemination of its own confidential information of a similar nature, but in no event, less than a reasonable degree of care. Vendor shall not disclose or otherwise make available EAA's Confidential Information to any third party without the prior written consent of EAA; provided, however, that Vendor may disclose the Confidential Information to its officers, employees, and contractors who need access to the Confidential Information to perform their obligations to Vendor or EAA and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Article VI. Further, Vendor shall comply will all confidentiality-related guidelines, standards and law applicable to EAA. Vendor agrees to immediately notify EAA in the event Vendor becomes aware of any loss or unauthorized disclosure of EAA's Confidential Information. The provisions of this Article VI shall survive the termination or expiration of this Agreement.

Section 6.2 Confidential Information. "Confidential Information" means any information related to the business, personnel and operations of EAA obtained by Vendor, and may include, but is not limited to, business affairs, data, manuals, financial and accounting data, data and information concerning students, contracts, intellectual property, proprietary information and other operational information. Confidential Information shall not include anything that Vendor can document: (i) was generally available to the public at the time it was received by Vendor, (ii) was known to Vendor, without restriction, at the time of disclosure, or (iii) was independently developed by Vendor without any use of the Confidential Information.

Section 6.3 Return of Confidential Information. Upon expiration or termination of this Agreement, Vendor shall promptly return to EAA all Confidential Information of EAA and all copies, or at EAA's option, Vendor shall destroy the Confidential Information.

ARTICLE VII
AUDITS

Section 7.1 General. Upon reasonable notice from EAA, Vendor shall provide EAA and its agents, regulators, accountants and inspectors access to, and any assistance and information that they may reasonably require with respect to the Services to, among other things, verify the security of EAA Confidential Information and examine Vendor's performance of the Services to enable EAA to confirm Vendor's compliance with this Agreement and applicable law.

Section 7.2 Cooperation and Record Retention. Vendor agrees to maintain accurate books and records in connection with Vendor's performance of the Services. Unless returned to EAA, upon its written request, all such books and records (including, without limitation, all papers, correspondence, data, information, reports, records, receipts, and other sources of information relating to the Services and Fees paid to Vendor) will be held and preserved for the duration of this Agreement and for a period of six years after the expiration or termination of this Agreement. Vendor shall make such books and records available to EAA at EAA's request. Further, Vendor shall, and shall cause its agents, employees and contractors to provide EAA with all assistance required to enable EAA to comply with applicable law and standards pertaining to the disclosure and confidentiality of such books and records.

ARTICLE VIII
INDEMNIFICATION, DAMAGES, INSURANCE AND WARRANTIES

Section 8.1 Indemnification. Vendor shall indemnify and hold harmless EAA and EAA's employees, agents, directors and officers against all liability arising out of, or resulting from any third party claim, suit, action or proceeding arising out of or resulting from (i) the failure of Vendor or any of its agents, employees or contractors, to comply with the terms of this Agreement or any applicable law; or (ii) any injury, loss, claim or damages arising from the actions or omissions of Vendor or an agent, employee, director, officer or contractor of Vendor.

Section 8.2 Limitation of Liability; No Special Damages. Notwithstanding any other provision of this Agreement, EAA shall not be liable to the Vendor for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or

punitive damages arising out of the performance or failure to perform under this Agreement or any Service Order. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable. No such limitation upon Vendor's liability for damages shall exist unless expressly set forth in the Special Terms of the Service Order.

Section 8.3 Insurance.

(a) At all times during the term of this Agreement, Vendor shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to EAA:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of Vendor under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Five Million Dollars ($5,000,000) in the annual aggregate, adding EAA as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate.

(b) Upon request by EAA, Vendor shall provide EAA with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this Section 8.3. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to EAA; provided that, prior to such cancellation, Vendor shall have new insurance policies in place that meet the requirements of this Section 8.3.

Section 8.4 Disclaimer of Warranties. EXCEPT AS (1) EXPRESSLY SET FORTH IN THIS AGREEMENT, AND, (2) WITH RESPECT TO VENDOR ONLY, AS SET FORTH IN THE SPECIAL TERMS OF A SERVICE ORDER, NEITHER EAA NOR VENDOR MAKES ANY OTHER REPRESENTATION OR WARRANTY REGARDING THE SERVICES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

ARTICLE IX
DISPUTES

Section 9.1 Informal Dispute Resolution. EAA and Vendor will attempt to settle any dispute through informal good faith negotiations The dispute will be escalated to appropriate senior level management of the parties, if necessary. If such managers are unable to resolve the dispute within ten business days of referral (or any other mutually agreed upon timeframe), the parties will undertake non-binding mediation as described below in a good faith attempt to resolve such dispute.

Section 9.2 Mediation. There will be a single mediator. If the parties cannot agree upon an acceptable mediator within ten days of termination of the negotiations under Section 9.1, each party will select one mediator from a list of not less than five mediators provided by the other party. These two mediators will select a third mediator who will serve as the sole mediator. Subject to the availability of the mediator, the mediation will occur not more than thirty days after the request for mediation. The mediation process will continue until the dispute (or any part thereof) is resolved or until such time as the mediator makes a finding that there is no possibility of resolution short of referring the parties to final and binding arbitration. The mediation will be held in Detroit, Michigan, unless the mediator, on his or her own initiative, wishes to conduct any mediation proceeding by telephone, facsimile transmission or other means of communication. The cost of mediation, including the mediator's fees and expenses, will be shared equally by the parties. Each party will have the right to be represented by attorneys of their own choosing to advise them before and during the mediation process and their attorneys may review any settlement agreement, or other agreement, which the parties have reached through mediation, prior to the execution of such agreement. The parties agree that the mediator is acting in a neutral capacity and is not serving as an attorney, advocate, representative or fiduciary for either or both of them. Each party will pay its own attorney's fees and costs. In connection with the mediation process, the mediator may meet in confidential "caucus" sessions separately with each party. The mediator will be obligated to treat as confidential and refrain from disclosing to the other party or its counsel any information conveyed to the mediator during the caucus sessions unless the party conveying such information authorized the mediator to disclose it to the other party.

Section 9.3 Binding Arbitration. Should any dispute (or part thereof) remain between the parties after completion of the mediation process described in Section 9.2, such dispute will be submitted to final and binding arbitration in Detroit, Michigan under the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**"), except to the extent that the AAA Rules are contrary to the specific terms of this Section 9.3, provided, however, that at the election of EAA, the arbitration may be done privately and not under the auspices of the AAA, although the AAA rules shall still otherwise govern except as herein stated. There will be three arbitrators. Each party will select one arbitrator. The two arbitrators selected by the parties will select a third arbitrator. At least one of the arbitrators will have at least five years of relevant experience. Each party may be represented by an attorney selected by the party. The costs of the arbitration, including the arbitrators' fees and expenses, will be shared equally by the parties. Each party will pay its own attorney's fees and costs; provided that, if the arbitrators find either party has acted in bad faith, the arbitrators will have discretion to award attorneys' fees to the other party. No party may raise new claims against the other party in the arbitration not raised during mediation. The arbitrators will have the power to resolve all disputes between the parties. The arbitrators will apply the law of the

state of Michigan. The arbitrators will only interpret and apply the terms and provisions of the Agreement and will not change any such terms or provisions or deprive either party of any right or remedy expressly or impliedly provided for in the Agreement. The arbitrators will not have the power to award damages other than those described in the Agreement. The determination of a majority of the arbitrators will be conclusive upon the parties and will be non-appealable. At least thirty days before the arbitration is scheduled to commence, the parties will exchange lists of witnesses and copies of all exhibits intended to be used in arbitration. The parties will be entitled to limited discovery. A stenographic record of the proceedings will be kept, unless waived by both parties, at the equal expense of the parties. The arbitration will be completed within 120 days of the selection of the third arbitrator. The arbitrators will render a written decision, which contains findings of fact and conclusions of law, within thirty days of the conclusion of the arbitration and will specify a time within which the award will be performed. Judgment upon the award, including specific enforcement of the decision, will be entered in any court of proper jurisdiction. The parties have knowingly chosen arbitration as an alternative to proceedings in court and they specifically waive their rights to proceed by any means before a court otherwise having jurisdiction of any dispute between them, except to the extent necessary for injunctive relief or other equitable relief.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Independent Contractor. The Services of Vendor shall be rendered as an independent contractor. The relationship between EAA and the Vendor shall not be that of partners, agents, or joint venturers to one another, and nothing contained in this Agreement shall be deemed to constitute a partnership, agency or employment agreement between them for any purposes, including, without limitation, for federal income tax purposes. Vendor assumes full responsibility for the payment of wages, salaries, and other amount due to all persons engaged by Vendor in connection with the Services performed hereunder, and Vendor will be responsible for all taxes, including Social Security, unemployment and withholding taxes, with respect to such persons. No provision of this contract shall be for the benefit of any party other than the Vendor and the EAA.

Section 10.2 Tax Exempt Status. Vendor acknowledges that EAA is a tax-exempt entity. Vendor may not use any EAA facility for any unauthorized purpose and will not act in any way that might jeopardize EAA's tax-exempt status.

Section 10.3 Entire Agreement and Amendments. This Agreement (including the Service Orders and exhibits), together with the documents delivered pursuant hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, negotiations, representations, discussions and understandings between the parties. This Agreement may be amended only be a written instrument executed by each party.

Section 10.4 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without giving effect to other conflicts of laws or principles thereof.

Section 10.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Section 10.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto. No party to this Agreement may assign its rights under this Agreement to any other person without obtaining the written permission of the other parties in advance.

Section 10.7 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement it being the intention of the parties that this Agreement and the transactions contemplated hereby shall be for the sole and exclusive benefit of such parties or such successors and permitted assigns.

Section 10.8 Expenses. Each party shall bear its own expenses incurred in connection with this Agreement and with the performance of its obligations hereunder.

Section 10.9 Notices. All written notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Agreement shall be personally delivered with receipt obtained, or mailed by overnight mail or registered or certified first-class mail, return receipt requested, addressed as follows:

If to the Vendor, to:

Envision Education,
436 14th Street, Suite 902
Oakland, CA 94612
Attention: Envision Learning Partners

If to the EAA, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

All Notices shall be deemed given on the day when hand delivered or, if mailed, on the day following the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving Notice to the other party as provided in this Section 10.9.

Section 10.10 Further Assurances. Each party promptly shall cause to be taken, executed, acknowledged or delivered all such further acts, conveyances, documents and assurances as any other party from time to time reasonably may request in order to carry out and effectuate the intent and purposes of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives with effect from the day and year first above written.

EDUCATION ACHIEVEMENT AUTHORITY

By:_____
John William Covington, Ed.D.

Title:_____
Chancellor

Date:_____

ENVISION EDUCATION, INC.

By:

Bob Lenz

Robert (Bob) Lenz

Title: Chief Executive Officer

Date: June 25, 2012

Exhibit A

Service Order

Period of Performance:

July 1, 2012—June 30, 2013

Performance Assessment – Year 1	
Goals: 1. *Teachers understand the what and why of a performance based assessment system that includes a culminating portfolio and defense* 2. *Teachers implement performance assessment tasks adapted from the Envision Schools model* 3. *Coaches learn how to support teachers in creating and adjusting tasks that are aligned to shared rubrics* 4. *Teachers and coaches learn how to calibrate to a shared standard and score work, and revise their instruction given the results* 5. *Leaders plan and guide the implementation of performance based assessment work and the development of a culminating system*	
1. *Deliverables* *What will we provide? More detail can be seen in sections 2 and 3 below.*	<u>Envision Summer Institute</u> • Background on the Envision Schools assessment system (as a model) and the value of performance assessment • Time to adapt tasks and rubrics • Looking at Student Work <u>Follow up PD</u> • Summer institute cohort learns how to map their instruction to the task • Cohort calibrates and scores student work, and revises the next task based on student scores <u>Follow up Coaching with Coaches and Leaders</u> *Coaches:* • Analyze teacher work and determine how to coach to make it stronger • Learn how to score and calibrate so that coaches can guide follow up sessions • Debrief the year and plan for summer institute 2013 *Leaders:* • Plan summer institute • Debrief each event and use the evidence to shape follow up Pd, and steering throughout the year

	• Plan how to create a culminating system, beyond the tasks and rubrics being piloted
2. When?	<u>Institutes</u> • Week of August 13 (one cohort, 3 on-site days) • Week of August 21 (one cohort, 3 on-site days) <u>Follow up PD</u> • TBD 3 times during year <u>Follow up Coaching (coaches and leaders)</u> • Before and after each Follow up PD
3. Fees *At what cost?*	<u>Summer Institute</u> • $20,000 per institute for 3 trainers x 2 institutes = $40, 000 • $5,000 Keynote by Bob Lenz • Up to $12,000 in travel expenses Max: $57,000 <u>Follow up PD</u> • $8,000 per on-site day for 3 trainers x 3 on-site days = $24,000 • Up to $9,000 in travel expenses Max: $33,000 <u>Follow up Coaching</u> *Coaches* • 5 on-site meetings prior to follow up pd = $14,000 • Up to $5,000 in travel expenses • Virtual coaching, if needed, up to 40 hours = $10,000 *Leaders* • Phone meetings to plan events up to 40 hours = $10,000 • Post event on-site meetings to debrief and plan subsequent meetings and assessment system design = $14,000 • Up to $5,000 in travel expenses Max: $58,000 <u>Envision Performance Assessment Tools</u> • Included <u>**GRAND TOTAL**</u> • $117,000 fees • $31,000 maximum expenses **$148,000 TOTAL MAXIMUM**

Chancellor Updates

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New Tech Network

NEW TECH HIGH SCHOOL AGREEMENT

This New Tech High School Agreement ("Agreement") is effective as of the 24th day of May, 2012 between **NEW TECHNOLOGY NETWORK, LLC**, an Ohio non-profit limited liability company ("New Tech National"), and the **EDUCATION ACHIEVEMENT AUTHORITY**, a Michigan public body corporate and special authority (" Authority").

RECITALS

A. New Tech National (sometimes referred to as NTN in the Exhibits) offers a high school education program (the "NTHS Model") that requires a high school within a school district be operated in accordance with the NTHS Model for the purposes of: (i) preparing students to excel in an information-based, technologically advanced society; (ii) raising graduation rates and achievement test scores; and (iii) increasing college enrollment and the completion of college.

B. Authority desires **Mumford High School** (the "New Tech High School" and referred to as the "School" in the Exhibits attached hereto) to become a member of those schools throughout the country that employ the NTHS Model (the "New Tech Network").

C. The Authority has secured the necessary financial and community support to implement the NTHS Model as provided herein.

D. Authority desires to retain New Tech National as an independent contractor to license and implement the NTHS Model as provided for herein at the New Tech High School, and New Tech National wishes to provide such license and services, on the terms and conditions hereinafter set forth.

E. New Tech National's provision of services to Authority to license and implement the NTHS Model contributes importantly to the furtherance of New Tech National's charitable and educational mission. As part of New Tech National's charitable and educational mission, New Tech National seeks to continually improve the NTHS Model for the benefit of current and future New Tech High Schools.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. License and Services.

(a) *License.* New Tech National hereby licenses to Authority during the term of this Agreement as provided for in Section 6 (the "Term") the non-exclusive and non-transferable right and license to access and use (i) the NTHS Model as hereinafter described, (ii) the website(s) and software that together constitute NTN Echo which is described in part on Exhibit A to this Agreement (the "NTN Technology"), (iii) any and all resources, learning modules, webinars and other content made available to Authority through the NTN Technology, including but not limited to all resource libraries and project libraries (collectively, "New Tech Learning Platform"); and (iv) the New Tech National trade and service marks ("Marks") in accordance with the Trademark Usage Policy provided by New Tech National to Authority, all for the sole purpose of establishing and operating the New Tech High School in Authority's school district and subject to all terms and conditions provided for herein (collectively, the "License").

(b) *Services.* New Tech National will provide services to Authority to assist Authority in developing and implementing the New Tech High School pursuant to the NTHS Model, as such services are described in Exhibit A under the heading Services (the "Services"). Authority understands and agrees that this Agreement is not exclusive to Authority; New Tech National may be engaged to provide similar consulting services to other school authorities and entities during the term of this Agreement, including, without limit, the license and implementation of the NTHS Model. Authority further understands that the Services do not involve the management of or day-to-day operation of the New Tech High School.

(c) *Title.* New Tech National hereby warrants that it is either the sole owner of all right, title, and interest in and to, or is authorized to license to the Authority the NTN Technology.

2. Authority Obligations.

(a) *Payment of Amounts Due.* Authority will promptly pay to New Tech National all amounts due to New Tech National under this Agreement as provided for in this Agreement.

(b) *Minimum Requirements.* Authority will provide, at its own expense and as described in Exhibit B to this Agreement, all facilities, technology, staffing, and other materials and resources necessary for the formation and operation of the New Tech High School in Authority's school district. Authority agrees to obtain the resources necessary to establish and successfully operate the New Tech High School.

(c) *Master Plan.* Within sixty (60) days of the execution and delivery of this Agreement, and with support and assistance from New Tech National, Authority will create and approve for implementation a written plan (the "Master Plan") outlining the Authority's tasks, timeline and persons responsible for implementation and on-going operation of the New Tech High School. The start date for any timeline or due or target dates agreed to by the parties will not be applicable until New Tech National accepts Authority's Master Plan, which acceptance will not be unreasonably withheld or delayed. Should Authority be required to revise and resubmit the Master

Plan to New Tech National, then such time as required for Authority to revise and New Tech National to accept such revised Master Plan will be automatically added to any timeline or due or target dates agreed to by the parties hereunder.

(d) *On-going Operation of New Tech High School.* Once established and during the Term, Authority will operate the New Tech High School in accordance with the NTHS Model and the principles and guidelines for the same as provided to Authority, from time to time, by New Tech National. Authority commits to use its best efforts to attain in all categories at least the status of "emerging" (and with the goal of attaining in all categories the status of "advanced") in accordance with the School Success Rubric standards attached hereto as Exhibit C. To the extent Authority does not attain such level, then New Tech National may terminate this Agreement or, in its discretion, require that Authority undertake, at Authority's expense, certain remedial actions and measures. New Tech National representatives will have access to the New Tech High School during normal business hours, with prior reasonable written notice and in accordance with applicable laws, to inspect the on-going operations of the New Tech High School as well as to ensure compliance with this Agreement by Authority and the maintenance of the goodwill and reputation associated with New Tech National, its NTHS Model and the Marks.

(e) *Data Collection.* In accordance with applicable law, Authority will permit New Tech National to gather school-wide data from the New Tech High School for use in evaluating the on-going effectiveness of the New Tech High School and the NTHS Model and for improving or modifying the same, for the purpose of creating statistics and reports to support grant applications and other financial support and funding, and for the purpose of publication in the education field.

(f) *Authority Input.* Authority will promptly notify New Tech National should Authority identify any problems or issues with the NTHS Model as it applies to the New Tech High School, including any issues, errors or malfunctions in the NTN Technology, the New Tech Learning Platform and/or in the Materials (as later defined herein).

(g) *New Tech Learning Platform.* New Tech National has created electronic resource libraries, electronic project libraries and other venues whereby content and materials may be contributed by Authority and other parties. If Authority contributes any content or other material to the New Tech Learning Platform, it hereby grants, and shall grant, a perpetual royalty-free license to New Tech National and all authorized users of the New Tech Learning Platform to use, reproduce, modify and otherwise make use of such materials in any manner and through any media for the benefit of New Tech National and all existing and future participants in the New Tech Network. With regard to materials developed by Authority and included in the New Tech Learning Platform, the Authority hereby represents warrants and covenants that such material will not violate or infringe upon any right of publicity or privacy, intellectual property right, literary right, or any other right of any person or entity.

(h) *Cooperation.* The parties will cooperate to help assure the successful implementation of the NTHS Model.

3. Representations and Warranties of New Tech National.

New Tech National represents and warrants to Authority as follows and acknowledges that Authority is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby:

(a) *Organization and Good Standing.* New Tech National is duly organized, validly existing and in good standing under the laws of the State of Ohio, has all requisite power and authority and is duly authorized to do business in the State of Michigan.

(b) *Power and Authority.* New Tech National has all requisite power to enter into this Agreement and to carry out and perform its obligations hereunder. All action required on the part of New Tech National and its officers, and agents for the authorization, execution and delivery of this Agreement and the performance by the New Tech National of its obligations hereunder have been taken. This Agreement when executed and delivered, shall constitute the legal and binding obligations of New Tech National in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws not or hereafter in effect generally relating to or affecting creditors' rights.

(c) *No Conflict or Breach.* The execution, delivery and performance by New Tech National of its obligations under this Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon New Tech National or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.

(d) *No Debarment, Pending Governmental Action or Record of Violations.* New Tech National has not been debarred by the Federal, State or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. New Tech National has no record of violation of any Federal, State or local government's procurement, contracting or ethics rules.

(e) *Conflicts; No Undue or Improper Influence or Inducement.* New Tech National represents and warrants that it has not and will not offer to Authority or any of Authority's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with Authority.

(f) *Performance of Services; Compliance with Law.* Any services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training and skill. New Tech National's actions and performance of the services throughout the term of this Agreement shall be in compliance with all applicable federal, state and local laws, rules, regulations and standards. New Tech National has and will maintain throughout the term of this Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of New Tech National contained in this

Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.

(g) Notwithstanding anything else in this agreement, including, without limit, the provisions of sections 3(a)-3(f), New Tech National's only representation or warranty with respect to third party intellectual property is that it is not aware of any third party intellectual property rights which are or would be infringed by performing the Services or Providing or using the NTN Technology. NEW TECH NATIONAL SPECIFICALLY DOES NOT REPRESENT OR WARRANT THAT IT WILL, OR WILL BE ABLE TO, ACQUIRE AUTHORIZATION TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT IN THE EVENT OF AN ASSERTION THAT PERFORMANCE OF THOSE OBLIGATIONS WOULD VIOLATE ANY THIRD PARTY INTELLECTUAL PROPERTY RIGHT.

4. Fees.

(a) *Fees.* Attached as Exhibit E is an agreed schedule for payment of compensation by Authority for the Services and the License.

(b) *Payment.* Authority will pay New Tech National in accordance with the schedule set forth in Exhibit E within thirty (30) days of the date of any and all invoices. If scheduled payments or invoice amounts are not paid in full within thirty (30) days of their due date, New Tech National reserves the right to add a late charge of 1% per month of the amount due, but not greater than permitted by law.

5. Work Product; Ownership of Intellectual Property.

(a) *Ownership of NT Materials and New Materials.* All right, title and interest (including, without limit, copyrights, invention, trade secret, and trade and service mark rights) to any information, software, trade or service marks, websites, content, resources, learning modules, webinars, processes, procedures, libraries or repositories or other materials provided by New Tech National or made accessible to Authority in connection with the License and/or the Services, including but not limited to the NTN Technology and the New Tech Learning Platform (excluding materials submitted to the New Tech Learning Platform by Authority) (collectively, the "NT Materials") are reserved to New Tech National, subject to the License granted to Authority hereunder. Further, Authority acknowledges and agrees that any and all improvements in, additions to, revisions or translations of, changes or any other modifications of or developments relating to the NT Materials ("New Materials") will belong to New Tech National.

(b) *Assignment of Rights in New Materials.* To the extent Authority or any of its employees or agents creates or contributes to any New Materials, then Authority agrees that in consideration for the Services and License and in compliance with the terms and conditions of this Agreement Authority will assign, and will cause its employees and agents to assign, to New Tech National upon the request of New Tech National, all right, title and interest of Authority and/or its employees or agents in any New Materials. Authority will cooperate with, and to the best of its ability, assist New Tech National (at New Tech National's expense) in New Tech National's efforts

to secure, vest, protect, record, further document or register such assignment and New Tech National's rights in any New Materials, including but not limited to executing all papers reasonably desirable or necessary to further document this assignment and vesting of rights in New Tech National.

(c) *Permitted Uses of NT Materials and New Materials under License.* Except with respect to the NTN Technology, New Tech National's License as provided for herein grants to Authority a limited, non-exclusive and non-transferable license with respect to the NT Materials and the New Materials (collectively, the "Materials") during the Term to engage in the following solely for the purpose of establishing and operating the New Tech High School and for distribution to teachers, administrators, students, and parents or guardians of students as necessary to carry out the express purposes of this Agreement: (i) reproduce such Materials in copies, (ii) prepare derivative works based upon such Materials, (iii) distribute copies of such Materials, including by way of a restricted access internet site, by electronic mail or as required by law, (iv) publicly perform such Materials to groups of teachers, administrators, students, and parents or guardians of students associated with the New Tech High School, (v) publicly display such Materials by way of a restricted access internet site, by electronic mail or as required by law, and (vi) perform such Materials publicly by electronic means through a restricted access internet site. With respect to the NTN Technology, Authority will have a license to use such technology and access Materials stored in such technology as provided for in New Tech National's website user agreement. The above activities for which the License hereunder is granted herein will be limited to purposes of Authority's implementation and operation of the New Tech High School. Authority may not make any other uses of the Materials. The License granted herein is granted solely to Authority, and not, by implication or otherwise, to any parent, subsidiary or affiliate of such party or entity. Authority will ensure that all copyright and other notices and designations of New Tech National are maintained, and are not removed, on all copies and other reproductions and uses that are made of Materials.

(d) *Prohibited Uses.* All rights not expressly granted hereunder are reserved to New Tech National. Authority may not copy, distribute, reproduce, use or allow access to the Materials except as explicitly permitted under this Agreement, and Authority will not decompile, reverse engineer, disassemble or otherwise attempt to derive source code from the NTN Technology. No right is granted hereunder to rent the Materials, to use the Materials for commercial time sharing purposes, or to use the Materials to perform services for third parties (so-called "service bureau" uses). Authority may not assign this license or grant any sublicenses.

6. Confidentiality.

(a) *Non-Use and Non-Disclosure; Duty of Care.* The Authority hereby covenants and agrees that, except as expressly permitted by this Agreement, it will not at any time: (i) use Confidential Information (as defined below) of New Tech National except as reasonably required to comply with the terms of this Agreement; or (ii) except as required by law, disclose Confidential Information of the other party to any third party, without the prior written authorization of New Tech National. Furthermore, the Authority will at all times protect New Tech National's Confidential Information with the same degree of care, but no less than a reasonable degree of care, as it treats or protects its own confidential information of a like nature.

(b) *Definition of Confidential Information.* The term "Confidential Information" will include all information not generally known to the public and not readily ascertainable by proper means by outsiders, constituting or comprising private employee information, private student information, or other information generally deemed to be of a private or personal nature in which the general public has no right of access under applicable state law. If the Authority becomes legally required to disclose Confidential Information, or any part thereof, then the Authority will give New Tech National prompt notice of such requirement, cooperate with New Tech National to the extent reasonable in taking legally available steps to narrow such required disclosure and disclose only that portion of the Confidential Information necessary to ensure compliance with such legal requirement. In the event of any breach or threatened breach of this provision, New Tech National will be entitled to an injunction restraining the Authority from using or disclosing such Confidential Information in addition to any other remedy, at law or equity, that may be available to the affected party. Unless specifically identified for use and distribution outside of the New Tech High School constituency, all Materials are deemed to be the Confidential Information of New Tech National.

(c) *Privacy.* Each party will comply with privacy laws (including, without limit, the Federal Educational Rights and Privacy Act) applicable to it as to confidential student information Authority provides to New Tech National.

7. **Term; Termination**.

(a) *Term.* The term of this Agreement will begin on the effective date and, unless terminated in accordance with Section 6(b) below, will continue through December 31, 2012. The term of this Agreement may be extended upon the written agreement of the parties.

(b) *Termination.* This Agreement will terminate prior to the expiration of its term as follows:

(1) At the non-breaching party's option, effective immediately, if a party materially breaches, violates or otherwise fails to comply with any of the terms contained in this Agreement and fails to cure such breach within thirty (30) days of receiving written notice of such breach from the non-breaching party;

(2) Automatically and effective immediately, if either party makes an assignment of this Agreement for the benefit of its creditors, becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditor's arrangement or composition, or if any comparable involuntary proceeding is instituted against such party and is not dismissed within ninety (90) days of such institution; or

(3) At New Tech National's option, effective immediately, if Authority fails to pay any amount due under this Agreement within thirty (30) days of its due date.

(4) At either party's option, for its convenience and without cause, upon at least sixty (60) days' written notice ("Notice") to the other party. Upon receipt of a Notice from Authority of such termination, New Tech National will cease operations as directed by the Authority in the Notice, take actions necessary or as the Authority may reasonably direct for the preservation of students' work and records, if any, in New Tech National's possession, and, except for the work

directed to be performed prior to the effective date of the termination stated in the Notice (which will not be less than 60 days from the date the Notice is mailed), terminate any and all existing subcontracts entered into by New Tech National in furtherance of this Agreement and enter into no further subcontracts. New Tech National will be entitled to payment for: (i) services rendered prior to the effective date of the termination stated in the Notice; (ii) any expenses (within the limitations imposed by this Agreement) incurred prior to the effective date of the termination stated in the Notice; and (iii) costs, expenses and penalties resulting from the termination of a subcontract entered into prior to New Tech National's receipt of the Notice; and (iv) any other costs and expenses (without regard to the limitations imposed by this Agreement) resulting from any action requested by the Authority in the Notice.

(c) *Effect of Termination.*

(1) If this Agreement is terminated due to the expiration of the Term and not due to any breach of Authority and during the Term Authority was in full compliance with this Agreement, then Authority will be permitted to continue to use under the License the Materials, so long as Authority will have executed a separate agreement with New Tech National in which Authority agrees to make appropriate use of such licensed Materials, to protect the confidentiality of the Materials and to pay such ongoing fees as are negotiated in connection with the use of and support for the Materials.

(2) If this Agreement is terminated for any reason, including, without limit, due to the expiration of the Term, and if the Authority and New Tech National have not extended this Agreement or entered into another agreement concerning the operation of the New Tech High School pursuant to the NTHS Model, the Authority will: (i) promptly cease to use the Materials; (ii) promptly cease to use any of the Marks; and (iii) no longer represent that it is a member of the New Tech Network.

(d) *Survival of Obligations.* Upon termination of this Agreement for any reason, Authority will promptly pay to New Tech National for all services completed prior to such expiration or termination not previously paid for by Authority. The parties further agree to refrain from making public statements or otherwise announcing or publishing in a public forum statements or comments that disparage the other party. Such obligation to pay will survive termination of this Agreement along with all of the following provisions of this Agreement: 3 through 22.

8. <u>Indemnification</u>.

(a) *Limitation of Liability; No Special Damages.* Notwithstanding any other provision of this Agreement, EAA shall not be liable to the New Tech National for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or punitive damages arising out of the performance or failure to perform under this Agreement. Nothing in this Agreement shall be construed as a waiver of governmental immunity, where applicable.

9. Insurance.

(a) At all times during the term of this Agreement, New Tech National shall procure and maintain, at its sole cost and expense, the following types and amounts of insurance coverage issued by an insurance company reasonably acceptable to Authority:

(1) Commercial General liability, covering bodily and personal injury, property damage, and contractual liability insuring the activities of New Tech National under this Agreement, in a minimum amount of One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate, adding Authority as an additional insured with respect to this Agreement.

(2) Commercial Automobile liability with limits of One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate, adding Authority as an additional insured with respect to this Agreement.

(3) Worker's compensation insurance in amounts required in accordance with applicable laws.

(4) Errors and Omissions/Professional liability with limits no less than One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate. Non-profit directors & officer's liability insurance with no errors & omissions/professional liability exclusion would be acceptable.

Upon request by Authority, New Tech National shall provide Authority with copies of the certificates of insurance and policy endorsements for all insurance coverage required by this section. Such certificates of insurance shall not be materially amended or cancelled without thirty days prior written notice to Authority; provided that, prior to such cancellation, New Tech National shall have new insurance policies in place that meet the requirements of this section.

10. Limitations.

(a) *Limitation of Liability.* Except to the extent caused by the gross negligence or willful misconduct of New Tech National, in no event will New Tech National's liability to Authority arising out of or related to this Agreement or the License or the Services provided hereunder, whether based on an action or claim in contract or tort, including negligence, strict liability, or warranty, exceed the compensation New Tech National receives for the License or the Services provided under this Agreement.

(b) *Other Damages.* In no event will New Tech National be liable to Authority for any indirect, incidental, special or consequential damages (including, without limitation, any damages arising from loss of use or lost business, revenue, profits, data or goodwill) arising out of or related to this Agreement or the License or the Services provided hereunder, whether in an action in

contract, tort, strict liability or negligence, or other actions, even if advised of the possibility of such damages.

(c) *Limited Warranty.* NEW TECH NATIONAL REPRESENTS AND WARRANTS THAT THE NTN TECHNOLOGY WILL CONTAIN FUNCTIONALITY SUBSTANTIALLY CONSISTENT WITH THAT DESCRIBED IN EXHIBIT A TO THIS AGREEMENT. EXCEPT AS EXPRESSLY PROVIDED FOR IN THE FIRST SENTENCE OF SECTION 3(F), SECTION 3(G) OR THIS SECTION 10(C), NEW TECH NATIONAL DOES NOT MAKE ANY WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE LICENSE OR THE SERVICES OR ANY GOODS PROVIDED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT.

11. Notification of Claims. In the event of a claim by a third party arising as a result of the License or the Services provided hereunder, each party or its legal representative will promptly notify the other party in writing of any such claim or lawsuit and forward all related documents to the other party.

12. Governing Law; Jurisdiction and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Michigan, without application of conflicts of laws principles and as if this Agreement were negotiated, executed, delivered and fully performed entirely within the State of Michigan. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement must be brought in the courts of the State of Michigan in Wayne County, or, if it has or can acquire jurisdiction, in the United States District Court Eastern District of Michigan, and each of the parties consents to the jurisdiction of such courts in any such action or proceeding and waives any objection to venue laid therein.

13. Independent Contractor. The parties understand and acknowledge that New Tech National is an independent contractor, and will not be deemed an employee, partner, or joint venturer of Authority with respect to the services performed hereunder for any purposes whatsoever. New Tech National also understands that it is responsible, according to law, to pay its own federal, state and local income taxes and employment taxes with respect to all compensation received from Authority hereunder.

14. Regular Communications and Notices.

(a) The representative for each party for all regular communications during the course of providing Services hereunder is as follows: **New Tech National**: Tim Presiado, tpresiado@newtechnetwork.org, 626-607-7179; **Authority**: Principal Donnie Davis and Dr. Maria Goodloe-Johnson, Goodloe-JohnsonM@michigan.gov, 313-456-1104. Such representatives can be changed by a notice in writing provided to the other party at the addresses noted below.

(b) All notices of a legal or formal nature must be in writing and sent (a) in person, (b) by certified or registered mail, (c) by overnight delivery carrier for next day delivery, (d) by facsimile, or (e) email, in each case to the address listed below (or if notice of a new address is given in accordance with this Agreement, the new address):

If to New Tech National: New Technology Network
Attn: President
1 W. Fourth Street, Suite 200
Cincinnati, OH 45202

If to the Authority: Education Achievement Authority
Attn: Chancellor's Office
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202

15. **Binding Effect**. This Agreement will be binding upon and inure to the benefit of both Authority and New Tech National and their permitted successors and permitted assigns.

16. **Severability of Provisions**. If any part, term or provision of this Agreement is held by any court to be unenforceable or prohibited by any law applicable to this Agreement, the rights and obligations of the parties will be construed and enforced with that part, term or provision limited so as to make it enforceable to the greatest extent allowed by law, or, if it is totally unenforceable, as if this Agreement did not contain that particular part, term or provision.

17. **Waiver**. Any of the terms, conditions or provisions of this Agreement may be waived at any time and from time to time in writing by the party entitled to the benefit thereof without affecting any other term, condition or provision of this Agreement. No waiver will be effective unless it is in writing. The waiver by any party hereto of any breach of any term, condition or provision of this Agreement will not operate or be construed as a waiver of any other term, condition or provision or of any subsequent breach of the same term, condition or provision. A party's failure to enforce its rights resulting from any breach of any term, condition or provision of this Agreement will not operate or be construed as a waiver of breach.

18. **Entire Agreement**. This Agreement, the Exhibits attached hereto, the Trademark Use Policy, the website user agreement and the privacy policy for the NTN Technology constitutes the entire agreement and understanding between the parties and supersedes all prior agreements and discussions with respect to the subject matter hereof. The parties expressly agree that to the extent that form purchase orders, confirmations, acceptances and invoices, or similar documents, are used to facilitate specific services any conflicting, additional or different terms provided by Authority will be of no force and effect and the terms of this Agreement will control such interpretations unless a separate signed writing/amendment authorizes such terms.

19. **Assignment**. This Agreement may not be assigned by Authority without the written consent of New Tech National. New Tech National may assign this Agreement to an organization affiliated with New Tech National with prior written approval from Authority.

20. **Amendment**. This Agreement may be amended or modified only in a writing signed by both New Tech National and Authority; provided, however, that New Tech National may, from time to time, without the written consent of Authority, amend the terms of any of Exhibits A, B, C or D as New Tech National deems appropriate to improve the NTHS Model, the Trademark Usage Policy, the website user agreements and privacy policy. New Tech National will notify the Authority of any such amendments. If Authority does not object in writing to the amendments within 30 days from the date of the notification, the Authority will be deemed to have accepted the amendments. If the Authority timely objects to one or more amendments and such objections are not resolved to Authority's satisfaction, the Authority may terminate this Agreement pursuant to Section 6.

21. **Recitals**. The recitals to this Agreement are hereby incorporated into and considered a part of the terms and conditions of this Agreement.

22. **Negotiated Agreement**. As this Agreement has been negotiated by the parties, any ambiguities in this Agreement will not be construed against either party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names or by their respective officers, thereunto duly authorized, to be effective as of the day and year first written above.

NEW TECHNOLOGY NETWORK, LLC	EDUCATION ACHIEVEMENT AUTHORITY
By:_____	By:_____
	Printed:_____
Title:_____	Title:_____

New Tech Network

NTN Customized Startup Plan

Dear Maria Goodloe-Johnson:

To continue efforts to open a New Tech School in your community in 2013, NTN would like to provide a pre-implementation support package. The scope of work is intended to build awareness among your stakeholders and to amplify existing momentum for a successful school opening. This Planning Agreement will provide the following New Tech Network services from March 1, 2012 until December 31, 2012:

NTN 2012 Annual Conference 2013 Planning Track	Registration fees and selected meals for 3 to 5 participants at the New Tech Annual Conference, July 17-19, 2012, in Grand Rapids, Michigan. The objective of the *2013 Planning Track* is to provide Authority, school, and teacher leaders with information about the New Tech model as well as provide opportunities to share best practices for planning and implementing a New Tech school in the fall of 2013. The event will be divided into two tracks, for Authority/ school leaders and potential teacher leaders.
Project Based Learning Preview	**Authority/ School Leadership Strand**: Designed for Authority leaders and principals, this track will provide an opportunity to work with other potential 2013 Authorities/schools, experience conference sessions hosted by NTN coaches and network teachers, and also work on the NTN School Application, so that your Authority is ready to move forward with planning and implementation. Participants will engage with active NTN Superintendents and Principals. **Teacher Leadership Strand:** Designed for prospective teacher leaders and "early adopters," this track will provide a deep dive into the culture and practices of NTN project- based instruction. Participants will explore and review active projects, project planning resources and assessment tools, and also discuss standards alignment, learning outcomes and integrated instruction--all within NTN's web-based learning management system, Echo. As part of this planning agreement, these participants will have Echo access through December 31, 2012.
2013 Planning Academy (web based)	Access to the NTN Planning Academy, Echo • Access for up to two Authority log-ins to the NTN's web-based Planning Academy, School Application and planning documents • Access to Echo for up to three Authority teacher leaders to continue to explore project-based learning resources
Marketing and Recruiting Support	Access to robust marketing and recruiting tool kits • School will have access to existing message framework used by all NTN sites. Access to ready-made collateral and assets for marketing and recruiting purposes and templates to help craft the individual school message. School will also receive tips and tricks for media exposure.
Webinars	Up to four remote video conferences or presentations with your stakeholder groups. These topics could include an overview of the NT model, demonstrations of Echo and the NT Gradebook, overview of PBL and sample projects, or general Q&A about the New Tech approach.

New Tech Network

NTN Customized Startup Plan

New School Design Coaching	The New School Design Team will visit your Authority 3 times to develop a plan for a successful implementation in 2013. Each visit's agenda will be customized to meet the unique needs of the Authority and could include discussions with business/ community leaders, higher education partners, parent groups, school staff, etc.

The cost for this pre-implementation support package is $ 13,000. (Includes up to 3 participants at the 2013 Planning Track at the NTN annual summer conference (NTAC). Up to 2 additional participants may attend at special conference rate of $600 per person. Hotel and travel costs are not included.)

Upon acceptance of the NTN School Application and signing of the NTN 2013 Agreement, $8,500 of this fee would be applied toward the initial payment for the first phase of implementation. Our intention is to support your team in this planning year to insure the successful startup of a New Tech School in 2013, and we hope you see this as an equitable way for us to move forward.

New Tech Network

NTN Customized Startup Plan

Education Achievement Authority:

Agrees to pay $13,000 prior to June 30, 2012

Chancellor Signature

_____

Date:

_____

Lydia Dobyns, NTN President

_____

Date:

_____

Mail two signed copies to:

Attn: Lydia Dobyns, President
New Tech Network
935 Clinton Street
Napa, CA 94559

Chancellor Updates

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INDEPENDENT CONTRACTOR AGREEMENT

This Agreement is made between THE EDUCATION ACHIEVEMENT AUTHORITY, a Michigan public body corporate and special authority (the "EAA") and Cover 2, Inc. ("Contractor"). The purpose of this Agreement is to set forth certain terms and conditions of Contractor's relationship with the EAA.

RECITALS

A. The EAA is in need of a qualified person to provide certain services, assist, and complete assignments under the direction of Chancellor or designee in the areas of athletic programs in the elementary through high schools operated by the EAA.

B. Contractor states that he is qualified to meet the EAA's needs, is ready, willing and able to contract with the EAA to perform such services, and that he understands the limited purpose of the contract, being to assist the EAA with its student athletic programs.

In consideration of the mutual covenants set forth herein, Contractor and the EAA agree as follows:

TERMS

1. **Independent Contractor Relationship.** The parties agree that Contractor provides his services to the EAA as an independent contractor, and the provision of the services shall not be construed to create an employer/employee or agency relationship. Except as expressly stated in this Agreement, neither party has the right or authority to assume or create any obligation, liability, or responsibility on behalf of the other, or to hold itself out as an agent or representative of the other.

2. **Services Provided. (Please see the attached Athletic Consultant – Job Description).**

Contractor represents that Contractor possesses the necessary certification and qualifications to perform the work and agrees to perform such work to the best of Contractor's ability.

3. **Term.** The term of this Agreement is twelve (12) months, beginning on June 1, 2012 and ending on May 31, 2013. This Agreement will expire on its ending date unless extended or renewed in a writing signed by both Contractor and the EAA's Chancellor. Contractor shall have no expectancy that the Agreement will be extended or renewed, nor of subsequent employment with the EAA.

4. **Compensation.** Contractor shall receive a total of Fifty-One Thousand Dollars ($51,000) for the term of this Agreement. Compensation shall be paid according to the EAA's pay practice for consultants and independent contractors, but no less than on a monthly basis.

5. **Expense Reimbursement**. The EAA shall reimburse Contractor for all approved expenses and costs incurred by the Contractor on behalf of the EAA, which reimbursement may be in the form of a monthly stipend according to the EAA's policies and practices. Contractor shall comply with all recording requirements regarding compensation, expenditures and benefits as mandated by the United States Internal Revenue Code, as amended, and any other applicable rules and regulations. The EAA and its employees and agents make no representation with regard to tax issues.

6. **Termination.**

a. **By Contractor.** This Agreement, and the EAA's obligations hereunder, shall terminate automatically in the event of Contractor's death, or incapacity. For purposes of this paragraph, "incapacity" is defined as the existence of a physical or emotional condition that renders Contractor incapable of performing the stated services for a period in excess of thirty (30) consecutive days.

Contractor retains the right to terminate this Agreement at any time during the term of this Agreement or any extension thereof, provided that he gives the EAA at least thirty (30) days advance written notice prior to his last day of service. In the event the required notice is not given, or in lieu of notice, Contractor will pay to the District, the value of his compensation for the unexpired portion of the contract or the 30 day notice period, whichever is less.

b. **By the EAA.** The EAA may terminate this Agreement without cause at any time during the term of this Agreement or any extension thereof. Termination without cause shall not affect the right of the Contractor to receive compensation for the unexpired portion of this Agreement up to a maximum of three (3) months, to be paid in a lump sum or installments at the EAA's sole discretion. In such instance however, the remaining contract amount due will be reduced by any compensation earned and/or paid to Contractor from other sources during that time. Contractor must notify the EAA of such other sources of compensation within reasonable time of attainment, and Contractor's failure to do so shall result in Contractor's forfeiture of all remaining amounts due, as well as liability for amounts received from Contractor's termination date.

The EAA may terminate this Agreement with reasonable cause. Cause is defined as:

a. unsatisfactory performance, including but not limited to the failure to make satisfactory progress toward implementing service expectations;

b. violation of law amounting to a felony;

c. embezzlement or other misuse of the Agreement for personal gain or benefit;

d. falsification of records, including submission of false pre-contract credentials;

e. fraud;

f. working under the influence of intoxicants or controlled substances not legally prescribed or legally prescribed substances improperly used;

g. inability to perform the duties and services required of this Agreement.

Termination with cause shall abolish this Agreement and all rights of the Contractor pursuant to this Agreement, including its compensation provision, shall be immediately extinguished.

7. **Official Addresses for Notices.** The parties understand and agree that any notice required in this Agreement, to be effective, must be in writing and either hand delivered or sent via certified mail, return receipt requested, to:

Education Achievement Authority
3022 W. Grand Boulevard
Suite 14-652
Detroit, Michigan 48202
Attention: Chancellor's Office

Andy Rio
Cover 2, Inc.
P.O. Box 806420
313.570.6141

8. **Indemnification.** The Contractor agrees to indemnify, defend, and hold the EAA harmless from any and all liability, damage, expense (including court costs and attorneys fees), and claims for damage or injury of any nature, whether known or unknown, which the EAA may incur, become liable for or which may be asserted or claimed against it as a result of the Contractor's acts, errors or omissions, including any damages and expenses to the EAA caused by the Contractor's violation of this Agreement.

Contractor specifically agrees to cooperate fully in the defense of any matter that implicates this Agreement or the parties' relationship as stated in this Agreement.

9. **Dispute Resolution.** Any and all disputes, controversies or claims arising out of, in connection with, or relating to this Agreement, including claims of breach or alleged breach of this Agreement, violations of federal, state or local statutes or regulations, specifically including civil rights laws, or commission of any tort shall, upon the written request of either party, be submitted to and settled exclusively by binding arbitration according to the laws for such in the State of Michigan. The EAA and Contractor agree to arbitrate such matters in a joint proceeding and according to the rules established by the American Arbitration Association. Notice of a demand for arbitration shall be given in writing to the other party to this Agreement within ninety (90) days after the claim, dispute, or matter in question arose, or where the party asserting the claim should reasonably have been aware of same, but in no event later than the applicable statute of limitations. The parties shall mutually select an arbitrator, or shall agree to accept one selected by the American Arbitration Association. The arbitrator shall have no power to add to, subtract from, or alter the terms of this Agreement, and shall render a written decision settling forth findings of fact and conclusions of law only as to the claim or dispute at issue. Arbitration expenses shall be borne by both parties equally, except that each party shall pay for their own experts, evidence and counsel fees, if any. Any arbitral award regarding compensation due to the Contractor shall be limited to actual damages only, and to the period equal to the balance of the contract term less the amount of any mitigated compensation received. Any arbitration award shall be final and binding upon the parties, and a judgment entered thereon may be entered in the highest court with jurisdiction over the matter.

10. **Confidentiality.** The parties promise and agree not to disclose any information, knowledge or materials of a confidential, privileged or proprietary nature of which either party has or obtains knowledge of or involvement with by reason of performance of this Agreement.

11. **Compliance with Laws and Policies.** The parties agree that each will comply with all laws, rules and regulations necessary for the effectuation of this Agreement, including all EAA policies, procedures and practices.

The EAA, its employees and agents, and Contractor agree that they will not discriminate against individuals based on race, color, ethnic group, gender, disability, age, marital status or other classification protected by state, federal or local law.

12. **Insurance Coverage.** Contractor shall maintain appropriate errors and omissions or professional liability insurance coverage in levels acceptable to the EAA and shall provide annually a certificate evidencing the existence of such insurance coverage to the Chancellor or designee.

13. **Miscellaneous Provisions.**

a. **Verifications And Testing.** Contractor must submit to and satisfy any verifications and testing required by applicable law and EAA policies for the performance of the services identified in this Agreement.

b. **Waiver.** Waiver of any breach of this Agreement is specific to that breach only and does not constitute a continuing waiver of that or any other provision of this Agreement.

c. **Assignment.** The parties agree that they will not assign this Agreement, its rights or duties hereunder, nor any interest in the Agreement, without the other party's prior written consent.

d. **Severability.** The parties agree that, in the event any provision or statement in this Agreement is held to be invalid by a court of competent jurisdiction, the remaining provisions or statements of this Agreement shall remain intact and in full effect, unless the invalidity defeats the very purpose of this Agreement, in which case this entire Agreement shall become void.

e. **Integration.** The parties expressly agree that this is their entire Agreement. All prior oral or written agreements, covenants or understandings between the parties are incorporated in this Agreement. Amendments, modifications or other changes to this Agreement can only be accomplished by a written document signed by both parties.

f. **Counterparts And Facsimile Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. The parties may execute and deliver this Agreement, and any of the other documents entered into or delivered, pursuant to facsimile transmission, which transmission shall be deemed an original and binding. If any party requests, the other party will follow a facsimile signature with an original signature.

g. **Effective Date.** This Agreement shall become effective only after the approval of the EAA's Chancellor.

The parties to this Agreement have read, understand and agree to the terms of this Agreement.

[Signature Page Follows]

CONTRACTOR:

EDUCATION ACHIEVEMENT AUTHORITY:

By: ANDY RIO, COVER 2, INC.

By: J. WM. COVINGTON, ED. D., CHANCELLOR

Dated: _____

Dated: _____

Legal as to Form

Dated: June 19, 2012

EDUCATION ACHIEVEMENT AUTHORITY of Michigan

EDUCATION ACHIEVEMENT AUTHORITY OF MICHIGAN

Athletic Consultant

About the Education Achievement Authority of Michigan:

The Education Achievement Authority of Michigan is a new statewide school system that will assume operation of the lowest 5 percent of performing schools in the state of Michigan that are not achieving satisfactory results on a redesign plan or that are under an Emergency Manager. It is designed to provide a new, stable, financially responsible set of public schools that create the conditions, supports, tools and resources under which teachers can help students make significant academic gains. It will first apply to underperforming schools in Detroit in the 2012–2013 school year and then be expanded to include low performing schools throughout Michigan.

For more information, visit www.michigan.gov/eaa.

Overview of Role:
The Athletic Consultant is the official designated representative of the Education Achievement Authority of Michigan for its Athletics Division and will consult with the Chancellor and Chief of Staff on all athletic matters. Careful selection of this position is essential to an exceptionally stellar Athletics Division for the EAA of Michigan. The Athletic Consultant is the executive aid to the Chancellor and Chief of Staff, and will provide coordination and direction for all elementary/middle through high school competitive play and athletic events. Furthermore, the Athletic Consultant must guide the development, planning, implementation and evaluation of an academic and athletic process that will foster maximum physical education and health experiences for all EAA of Michigan student-athletes.

Duties and Responsibilities:

- Advises on Education Achievement Authority of Michigan's athletic budget.
- Advises on athletic school based budgets, working with Principals, Athletic Directors and Coaches to ensure equity across all sports.
- Formulates Athletic Directors and Coaches criterion for job descriptions.
- Works with EAA of Michigan Principals to select, assign and evaluate Athletic Directors and Coaches.
- Advises on athletic equipment purchasing plan.
- Conducts professional development and clinics for Athletic Directors and Coaches on EAA of Michigan policies and procedures.
- Works with buildings and grounds' company on planning maintenance of athletic facilities.

- Advises on communication of athletic concerns from Principals to Central Headquarters.
- Works with EAA of Michigan schools concerning security and transportation for all athletic events and game procedures.
- Develops a special game of the week when two (2) EAA of Michigan teams compete against each other.
- Organizes dispersal of athletic tickets to elementary/middle and high schools.
- Supervises special athletic events.
- Attends exploratory meetings and collaborate with external funding partners for EAA of Michigan athletic programs.
- Troubleshoots on issues that concern the EAA of Michigan Athletic Division.
- Advises on issues pertaining to the Michigan High School Athletic Association (MHSAA) and Detroit Public Schools League (DPSL).
- Helps to formulate plan for hiring officials for athletic competition.
- Advises in scheduling of athletic contests and competitive play.
- Provides organization and administrative support of athletic events and competitive play.
- Advises and assists with improving athletics personnel with professionalism, attendance, punctuality, honesty and integrity.
- Provides information that will help support compliance to local, state, national and international organization mandates.
- Evaluates and assesses the high schools' athletic programs and their feeder elementary/middle schools' athletic programs.
- Attends athletic events whenever possible, working in conjunction with the Principals and Assistant Principals to ensure appropriate coverage of all athletic events and competitive play.
- Ensures all student athletic eligibility according to the Michigan High School Athletic Association (MHSAA) policies and EAA of Michigan guidelines and "No-Pass, No-Play" policy.
- Serves as liaison with Coaches, Athletic Directors and Principals to address student discipline impacting athletic eligibility.
- Attends relevant meetings regarding conference and state MHSAA business.
- Plans and coordinates division-wide athletic awards programs.
- Plans and coordinates printing and selling of programs for varsity contests.
- Ensures that all student-athletes are appropriately insured.
- Maintains athletic records and ensures appropriate training, including first aid training; CPR for all coaching staff at each EAA of Michigan member school.
- Maintains a current physical for each student-athlete.
- Maintains an active Athletic Division that promotes sportsmanship and welcomes competing teams and guests.
- Coordinates details of visiting teams' needs.
- Supervises all division-wide ticket sales and fund-raising events of the Athletic Division and assume responsibility for proper handling of funds.
- Serves as a liaison between Principals, Athletic Directors, Coaches and the Parent and/or Athletic Booster Clubs.
- Maintains records of all athletic contest results and athletic scholarships.

- Establishes a Holiday and/or special events basketball and/or other sports tournament series of games.
- Establishes a celebrity fundraising basketball and/or other sports game or series of games between professional athletes who graduated from Detroit (particularly EAA of Michigan) high schools or play for Detroit teams versus our EAA of Michigan, Principals, Athletic Directors, Coaches and/or Staff.
- Coordinates athletic public relations in cooperation with EAA of Michigan, Executive Director of Communications and Public Relations.
- Works with EAA of Michigan, Chief of Staff to establish the Detroit Sports Hall of Fame.
- Performs other related duties and responsibilities as assigned by the EAA of Michigan, Chancellor or designee.

Equipment and Purchasing:

1. Establishes significant equipment procedures and security. (Inventory, cleaning, storage, issue, collection, reconditioning, etc. Maintains sensible replacement schedule and stick to established budget).
2. Purchases all necessary equipment and uniforms. Include Athletic Directors and Coaches in purchasing sessions.
3. Enlists responsible and trustworthy help and hold coaches responsible for their duties regarding equipment and uniforms.
4. Maintains all equipment purchasing receipts and records.

Qualifications:

1. Bachelor's Degree required; a valid certification Postgraduate Professional Certificate (with endorsement in health and/or physical education) preferred.
2. Applicant must have experience preferably as a health and/or physical education teaching and/or coaching of an athletic team totaling at least five years.
3. Displays qualities of leadership, organization, teamwork and passion. Furthermore, possesses the professional and personal characteristics necessary for working effectively with student-athletes, coaches, athletic directors, school personnel and the community.
4. Employment eligibility including criminal history background check and fingerprints, documentation of negative Tuberculosis test and/or other employment clearance.

Salary:

1. Compensation is on annual basis of $51,000.00 (without insurance and benefits).
2. Monthly payments are $4,250.00 retroactive to June 1, 2012.

Chancellor Updates

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A MARKETING AND COMMUNICATIONS PLAN FOR THE EDUCATIONAL ACHIEVEMENT AUTHORITY

HOT 107.5 HotHipHopDetroit.com

105.9 kiss-fm www.kissdetroit.com

NEWSTALK AM1200 98.3FM WCHB

Praise 102.7

EDUCATIONAL ACHIEVEMENT AUTHORITY

Goals Of This Campaign:

- To address and educate the public on any and all misconceptions that surround the EAA (both Detroit and surrounding areas)
- To showcase how impactful the individualized learning plan is to both parents and children
- To create a "buzz" in the community about the EAA
- To brand the EAA name
- To celebrate students who are enrolled in the EAA
- To achieve the enrollment goal for 2012 - 2013 and create a waiting list for the 2013-2014 school year

HOT 107.5 HotHipHopDetroit.com | 105.9 kiss-fm www.kissdetroit.com | NEWSTALK AM1200 93.9 FM WCHB | Praise 102.7

PHASE I and PHASE II

Informational / Awareness
Branding / Recruitment Campaign

5 weeks

(weeks of July 9 – August 6)

Recruitment Campaign

5 weeks

(weeks of August 13 – September 10)

"MEET THE PRINCIPALS"

Starting at the top with EAA Principal leadership...

Every Thursday, between 11:30am – 12noon, Angelo Henderson will feature a segment entitled "Meet The Principals". EAA Principals will each come on "WCHB's Your Voice" to be introduced, while telling the public about their schools, themselves and their vision for the upcoming school year.

The on-air feature will begin Thursday, July 12, and conclude on Thursday, August 30 (one Principal on July 12 to kick it off, and 2 Principals interviewed for the remaining weeks, concluding on Thursday, August 30 – 8 weeks).

A profile page will be created with each Principal's photo, biography and goals for their respective school. A cube and banner ad will be on the home page of each of our four (4) stations websites, with a link to the EAA Principal page.

Since the EAA has the dates and times reserved each Thursday, Dr. Covington is more than welcome (and encouraged) to come on prior to, and/or during, the Principals time frame. This will allow for any and all updates necessary, straight from the Chancellor himself.

VIDEO TUTORIAL

Radio One Detroit will record two (2) video tutorials for use on each Radio One stations Website, as well as for EAA to use. One will target parents while the other will target students.

The parent video tutorial will air on **WDMK, WCHB and WPZR** where Angelo Henderson will interview **Denby High Schools Principal Kenyetta Wilbourn**. This interview will take place in one of Denby's classrooms as Ms. Wilbourn speaks candidly about her school, her students, her vision and specific EAA standards of operation. This video will detail all aspects of EAA including, but not limited to, the individual learning plan, the benefits of longer school day / school year, technology use, details of the meal plan, security, parent involvement, etc.

Prior to the video being shot, questions will be given to both Angelo and Ms. Wilbourn for proper preparation.

The student video tutorial will air on **WGPR** where **Shorty** with a pre-determined school Principal, will record the same type of tutorial, making certain key points are addressed but framed in a fashion to resonate with young people.

STAR-POWER ENDORSEMENTS

Radio One hosts various national recording artists as well as local and national celebrities.

Throughout the EAA campaign, each time one of the celebrities visits Radio One, we will have them record an educational message, directed at EAA students. We will rotate these messages primarily on WGPR (Hot 107.5), as well as the other three (3) stations, if the artist / celebrity matches the format.

Example: "Hey, what's up?...it's your boy Diggy Simmons and if you want to go to one of the newest, hottest schools in Detroit, tell your parents to send you to an EAA school – It just makes sense."

EAA TEXT CLUB

Radio One Detroit will create an Text Club exclusive to the EAA. Here, we will gather phone numbers from students and parents to create a "Club". We will help to solicit names through on-air commercials, web stream commercials, Twitter, Facebook and E-mail blasts.

The EAA will have the opportunity to send out important reminder messages as well as information based messages to the club members. We will also send out messages with ticket giveaways (local concerts), exclusive to Club Members only.

The text code we have created is "**EAA**". All information pertaining to messages will be read as: "For your chance to win Mindless Behavior tickets, "**text EAA to 77000**".

The EAA will have a built in data base and continue gathering phone numbers at each and every opportunity.

Note: *Parents and students will each receive customized messages. Parents will receive text information pertaining to EAA news or reminder messages. Students will receive messages regarding EAA news, reminders along with contest / ticket giveaways.*

DIGITAL AND SOCIAL MEDIA

Full access to all of our digital and social platforms will be provided to the EAA throughout the entire duration of this campaign.

Digital and Social Media consists of:

- Streaming Commercials (all stations) – 120x per week, per station
- Video tutorial display
- Cube and Banner ads
- Dynamic Lead positions
- Home page takeovers
- Custom landing page
- E-mail blasts
- On-air personality tweets
- Text campaign

EAA'S
"Swaggin' Back To School BBQ Enrollment Celebration"

There is nothing like a Summer Time BBQ and now, there will be nothing like the **EAA Swaggin' Back To School BBQ.**

The Back To School BBQ will take place on the grounds of an EAA school, or at a Detroit location such as Belle Isle.

There will be hot dogs, hamburgers, lemonade and ice cream. There will be games for all ages....a water balloon toss, three legged race, a volleyball (Teachers against Students / Parents against Students), tug-of-war, face painters and so much more for students of all ages.

Students can be bussed from their school location to the BBQ location to ensure everyone has an opportunity to attend.

Radio One will provide assistance with event coordination, music (outdoor sound system) and a MC, as well as assistance with games (5-6 people to assist).

The EAA may also provide enrollment opportunities as well as performing on-site health screenings if necessary.

MONTHLY BRAINSTORMING SESSIONS

Radio One will host a series of monthly brainstorming sessions (at 3250 Franklin) for all Principals and Principal selected staff members and EAA executives.

Here, Principals can discuss what is going on at their schools and what may be needed, as well as brainstorm on creative ways to maintain student and parent engagement.

Radio One will provide the facility, facilitator, creative input (if required), as well as a monthly meeting recap to all attendees.

EDUCATIONAL ACHIEVEMENT AUTHORITY – Radio Campaign

For the :60 commercials that will air on each of the four Radio One Detroit stations, we recommend the following:

PHASE I – INFORMATIONAL / AWARENESS / BRANDING / RECRUITMENT

Denby High School Principal, Ms. Kenyetta Wilbourn will voice the commercials. We will breakdown each misconception, as well as important EAA features, and address it within the commercial. Each topic will be given the full :60 in order to state it, explain it and apply it to a students path for success –informational based.

PHASE II – RECRUITMENT

Many of the academic program points will continue with Phase II, yet contain a strong recruitment and enrollment message as well.

We will provide full production of each commercial and Ms. Wilbourn will come to Radio One to record. We will also provide equal rotation of these commercials so that each topic is given its appropriate time in order for our listening audience to begin understanding what EAA is really all about.

If required, Radio One will provide our commercial writing services, at no additional charge. The tagline: **"It's Just Makes Sense"** will be included at the end of each commercial.

RADIO CAMPAIGN

The Radio One cluster of stations reaches **1,687,700*** listeners per week (6+) and is broken down as follows:

STATION	FORMAT	CORE LISTENER
WDMK	R&B	25 – 54
WGPR	Hip Hop and R&B	18 – 34
WPZR	Inspirational	25 – 54
WCHB	News / Talk	45+

*Arbitron May 2012 6+

ADVERTISING SCHEDULE

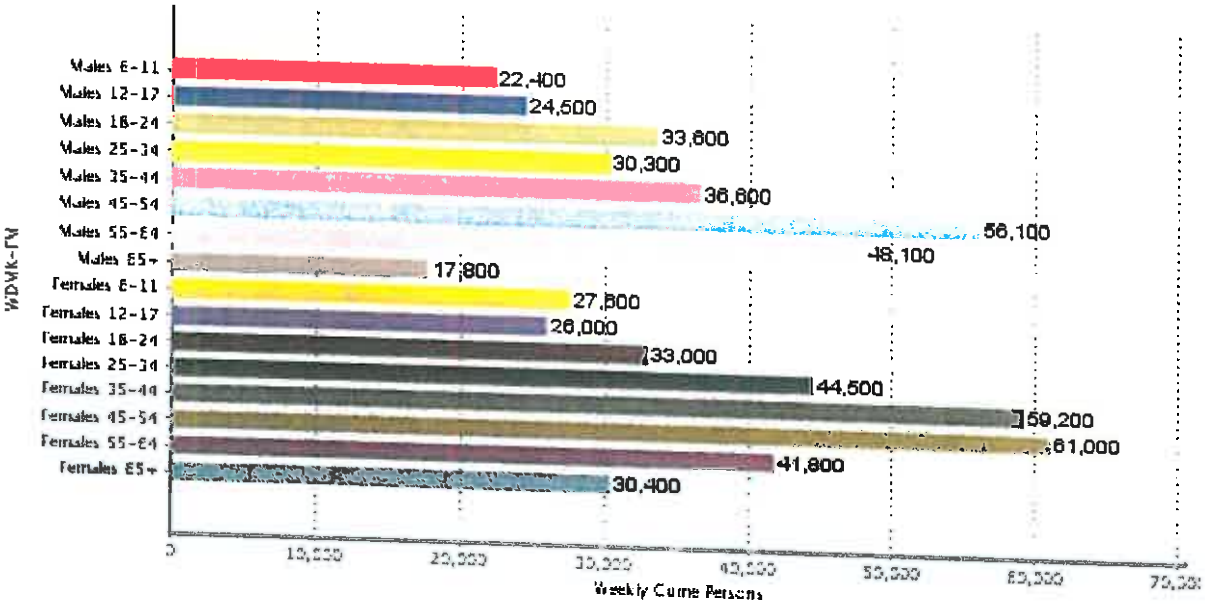
WDMK

Ten Weeks (week of July 9 – September 10)

Average Schedule

Monday – Friday	7a - 10a	6x	:60
Monday – Friday	10a - 3p	5x	:60
Monday – Friday	3p – 7p	5x	:60
Monday – Friday	7p – 10p	4x	:60
Saturday	10a – 3p	4x	:60
Sunday	10a – 3p	4x	:60
Monday – Sunday	6a – 12m	6x	:60
Monday – Friday	6a – 10a	6x	:10

WDMK– Age Breakout



105.9 kiss-fm
www.kissdetroit.com

ADVERTISING SCHEDULE

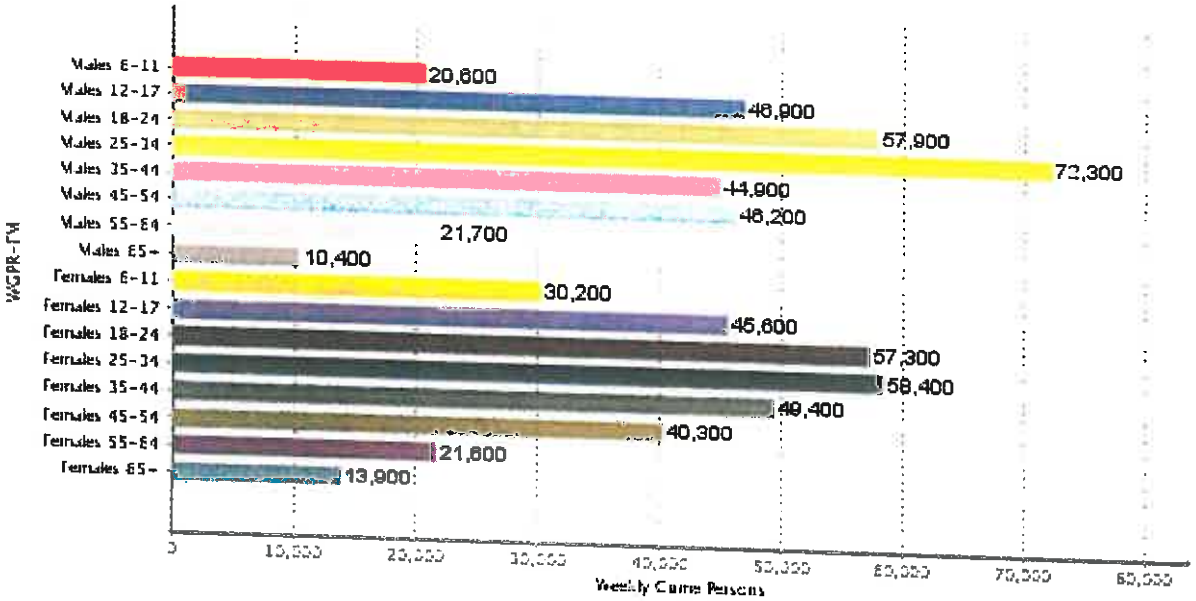
WGPR

Ten Weeks (week of July 9 – September 10)

Average Schedule

Monday – Friday	7a - 10a	6x	:60
Monday – Friday	10a - 3p	6x	:60
Monday – Friday	3p – 7p	6x	:60
Saturday	10a – 3p	4x	:60
Sunday	10a – 3p	3x	:60
Monday – Sunday	6a – 12m	7x	:60
Monday – Friday	6a – 10a	5x	:10

WGPR – Age Breakout



HOT 107.5
HotHipHopDetroit.com

Praise102.7
Detroit's Inspiration Station
Praise1027Detroit.com

ADVERTISING SCHEDULE

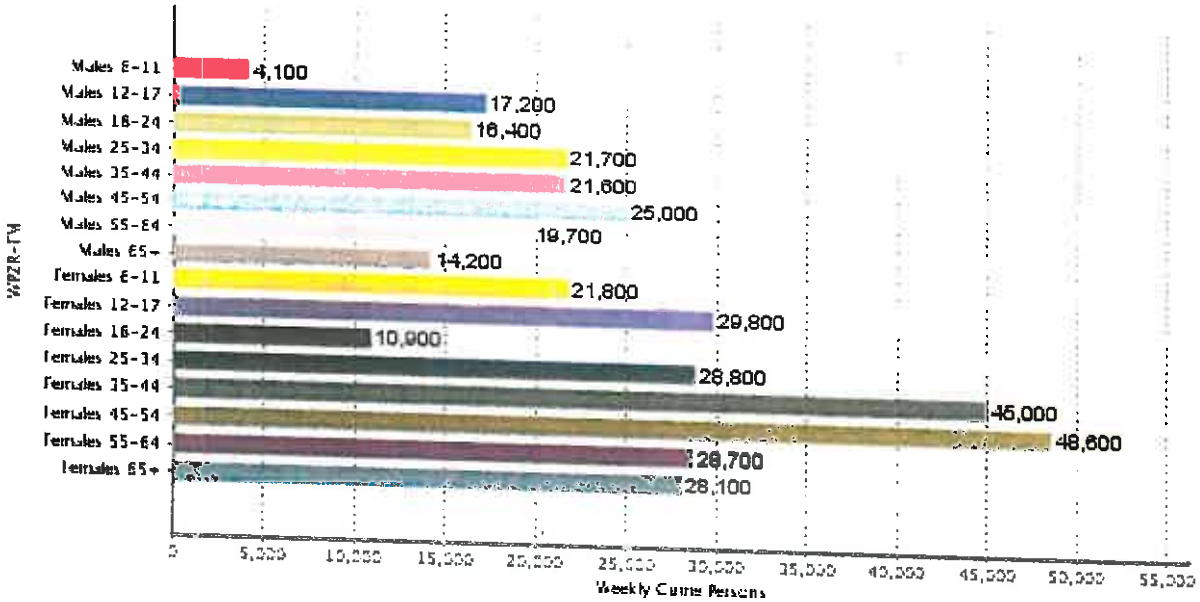
WPZR

Ten Weeks (week of July 9 – September 10)

Average Schedule

Monday – Friday	7a - 10a	5x	:60
Monday – Friday	10a - 3p	5x	:60
Monday – Friday	3p – 7p	6x	:60
Saturday	10a – 3p	3x	:60
Sunday	10a – 3p	3x	:60
Monday – Sunday	6a – 12m	9x	:60
Monday – Friday	6a – 10a	5x	:10

WPZR – Age Breakout



Praise102.7
Detroit's Inspiration Station
Praise1027Detroit.com

ADVERTISING SCHEDULE

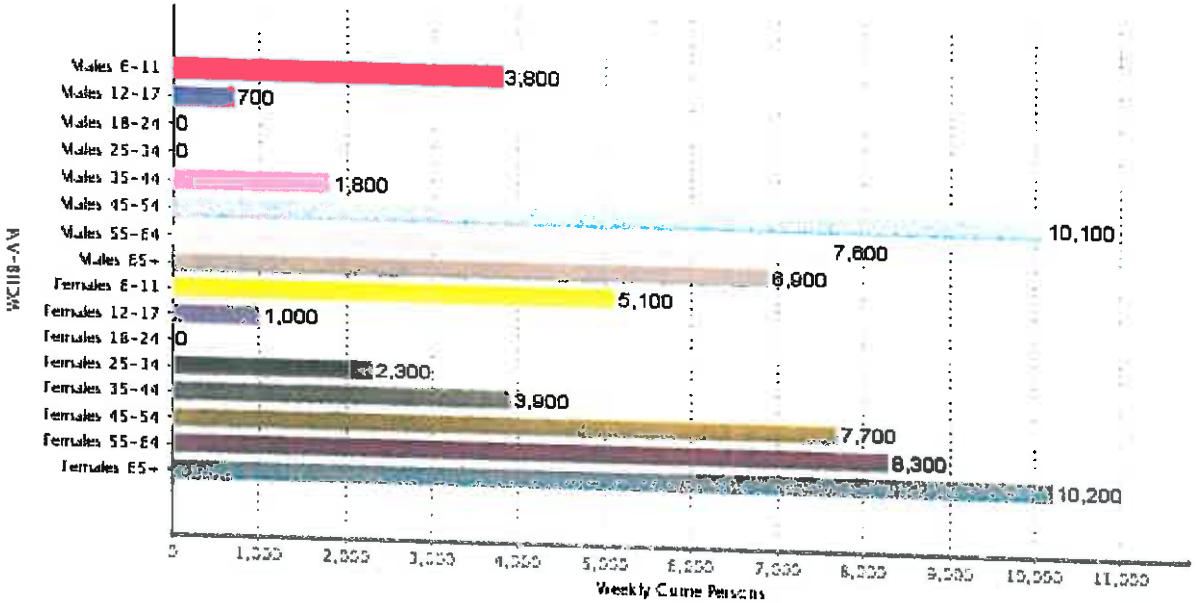
WCHB

Ten Weeks (week of July 9 – September 10)

Average Schedule

Monday – Friday	6a – 10a	6x	:60
Monday – Friday	10a – 3p	6x	:60
Monday – Friday	3p – 7p	4x	:60
Monday – Friday	6a – 11p	6x	:60
Monday – Friday	6a – 10a	6x	:10

WCHB – Age Breakout



NEWSTALK AM1200 99.9FM WCHB

EDUCATIONAL ACHIEVEMENT AUTHORITY

The EAA will receive (paid media):

- Commercial schedule on all four (4) Radio One properties ($89,035) Weekly Schedule for ten weeks 7/9-9/10:

	Weekly Total (Average)	Campaign Total
WDMK 105.9	40x	394x
WGPR 107.5	37x	373x
WPZR 102.7	36x	361x
WCHB 1200/99.9	28x	282x
	141x	1,410x

- Digital & Social Media Components ($12,965)

The EAA will receive (added value / earned media):

- Concept Development and Management ($50,000)
- Production and Design ($16,500)
- Digital and Social Media components ($65,000)
- Text Club development and maintenance ($30,000)
- All endorsement fees - celebrity and on-air staff ($25,000)
- On-air interviews – WCHB ($15,000)
- Video production ($12,000)
- All :10 reminder messages ($30,000)
- Assistance with Back To School celebration ($3,500)

TOTAL PROGRAM VALUE: ~~$349,000~~

TOTAL NET INVESTMENT: ~~$102,000~~ was ~~$190,000~~

Reduced to $95,000.-