KEY CONTRACT TERMS

For

Master Agreement HV-425-05172024-A-LA

Contract Between:	Huron Valley Schools & Lakeshore Learning Materials, LLC
Contract Purpose:	Master Agreement for Furniture, Equipment, Installation and Design Services
Contract Number:	HV-425-05172024-A-LA
RFQu Number:	HV-425-05172024-A
Contractor Name:	Lakeshore Learning Materials, LLC
Contractor Address:	2695 E. Dominguez Street Carson, CA 90895
Contractor Telephone:	(800) 421-5354
Contract Administrator:	Huron Valley Designee/MAC Cooperative
Contract Period:	February 01, 2025 – January 31, 2028
Base Contract Years:	February 01, 2025 – January 31, 2028
Option Years:	February 01, 2028 – January 31, 2029 (Option Year 1) February 01, 2029 – January 31, 2030 (Option Year 2)
Pricing:	Refer to the RFQu Submission
Administrative Fee:	2.0%

Terms & Conditions:	Refer to Section 2.0
F.O.B.:	Destination
Ordering Options:	Phone or Email
Payment Options:	Purchase Order or Direct Voucher
Miscellaneous Information:	THIS AGREEMENT IS EXTENDED TO AUTHORIZED MAC COOPERATIVE MEMBERS

HURON VALLEY SCHOOLS

MAC

Signature of Contractor's Duly Authorized Representative

THIS CONTRACT MUST BE SIGNED IN INK BY AN AUTHORIZED REPRESENTATIVE OF THE CONTRACTOR; ANY ALTERATIONS OR ERASURES TO THE OFFER MUST BE INITIALED IN INK BY THE UNDERSIGNED AUTHORIZED REPRESENTATIVE.

The undersigned acknowledges, attests and certifies individually an on behalf of the Contractor that:

(1) He/she is an Authorized Representative of the Contractor, has been authorized by Contractor to make all representations, attestations, and certifications contained in this Contract, if any, issued, and to execute this Contract on behalf of Contractor; (2) Contractor is bound by and will comply with all requirements, specifications, and terms and conditions contained in this Contract (including all listed attachments and Addenda, if any, issued; (3) Contractor will furnish the designated Goods in accordance with the Contract specifications and requirements, and will comply in all respects with the terms of the resulting Contract upon award; and (4) All affirmations contained in the RFQu are true and correct.

CONTRACTOR	HURON VALLEY SCHOOLS
Firm Name: Lakeshore Learning Materials, LLC	Authorized Representative Name (printed): Geoffrey VanGoethem Assistant Superintendent Business + Operations
Authorized Representative Signature: Johanna Lopez	Authorized Representative Signature:
Authorized Representative Name (printed): Johanna Lopez	Date: 2/19/2025
Date: 2/14/2025	

SECTION 1.0 – CONTRACT REQUIREMENTS

THIS CONTRACT (the "Contract") is made and entered into this 1st day of February, 2025, by and between **HURON VALLEY SCHOOLS** (hereinafter the "School District"), a Michigan general powers School District, whose address is 2390 S. Milford Road, Highland, Michigan 48357, and **LAKESHORE LEARNING MATERIALS, LLC** (hereafter the "Contractor"), a California Limited Liability Corporation, whose address is 2695 E. Dominguez Street, Carson, California 90895 (each a "Party" and collectively the "Parties").

RECITALS

A. The School District issued a Request For Qualification dated 11/07/2024 with an addendum issued on 11/25/2024, (collectively the "RFQu"), the purpose of which was to solicit proposals from qualified contractors to provide furniture, equipment, installation and design services as specified in the RFQu (the "Products/Services") to the School District, on an as needed basis;

B. The Contractor submitted to the School District a Response to the RFQu dated 12/05/2024 (the "Proposal") to provide furniture, equipment, installation and design services as contemplated by the RFQu; and

C. The Parties agree that certain terms and provisions of the RFQu and the Proposal must be further clarified and that certain additional terms and conditions need to be expressly set forth by way of this Contract.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the Parties agree as follows:

1. RESTATEMENT CONSTITUTES THE CONTRACT

(a) Incorporation By Reference.

The object of this Contract is to formalize in one document the complete agreement between the Parties, and to do so by specifically incorporating by reference into this Contract, the RFQu, the Proposal and other related documents, and by including certain additional necessary or appropriate Contract terms, particularly where the Contract terms agreed to by the Parties during the RFQu negotiation process do not correspond with the RFQu.

(b) Order Of Precedence.

The Contract Documents, which all are incorporated herein by reference, include the following:

i. This Contract;
ii. The RFQu; and
iii. Contractor's Proposal.

To the extent that the terms and conditions of the Contract Documents are in conflict, the terms and conditions shall be interpreted in the above-referenced order from (i) to (iii). However, the Parties also agree that where there is not a conflict between any of the terms and conditions contained in the above-referenced Contract Documents, all of the Contract Documents shall be binding upon both Parties.

2. TERM AND TERMINATION

(a) Initial Term.

The term of this Contract shall be for a period of three (3) years, commencing February 01, 2025 and ending on January 31, 2028 (the "Initial Term"). Notwithstanding the above, as contemplated by the RFQu, satisfaction must be guaranteed for this Contract to continue for the second and third year of the Initial Term. In the event the School District is not completely satisfied with the products/services of the Contractor, the School District may elect, in its sole and absolute discretion, not to begin years two (2) and three (3) of the Initial Term by providing written notice to the Contractor at least ninety (90) days prior to the start of year two (2) or year three (3) of its intent not to continue with the products/services under this Contract.

(b) Renewal Term.

Following the Initial Term, the School District shall have the option to extend this Contract by up to two (2) additional years on a year-to-year basis, in its sole discretion (each a "Renewal Term"). Nothing in this Contract requires the School District to exercise its option for a Renewal Term and Contractor has no expectation of a contract beyond the Initial Term, or a Renewal Term if any are exercised. Ninety (90) days prior to the end of the Initial Term, or any Renewal Term, the School District shall notify the Contractor in writing as to whether the School District will exercise any option for a Renewal Term. Notwithstanding the above,

this Contract may be terminated in accordance with the provisions of the Contract Documents.

3. INVOICING AND PAYMENT TERMS

(a) Invoices.

Contractor shall invoice the School District in on a once-per-month basis for all Products provided/Services rendered under this Contract in accordance with the pricing set forth in Paragraph 3(b) below and in accordance with the terms and conditions of the other Contract Documents. Invoices shall itemize charges for products/services on a monthly basis. Invoices shall be submitted to Huron Valley Schools, Attention: **Accounts Payable**, 2390 S. Milford Road, Highland, Michigan 48357.

(b) Payments.

Payment of undisputed amounts in each invoice shall be made within thirty (30) days of receipt of the invoice. The School District will issue one payment per month. Disputes regarding amounts contained in any invoice will be communicated to the Contractor by the School District, in writing, within ten (10) business days of the receipt of the disputed invoice. Payments of disputed amounts will be delayed unless the Contractor is able to resolve the matter to the School District's satisfaction within ten (10) business days prior to payment due date. The School District will not be assessed any late payment penalties, fines or charges for disputed amounts not timely paid due to the Contractor's failure to timely resolve the matter as set forth above.

(d) Additional Product/Service Charges.

Any products/services outside the contract scope must receive prior written approval from the School District before rendering or invoicing for such additional products/services. Additionally, there will be no mileage reimbursement under this Contract.

(e) Tax Excluded from Price.

Sales Tax: Huron Valley Schools and local units of government are exempt from sales tax for direct purchases. The contractor's prices must not include sales tax.

Federal Excise Tax: Schools and Governmental entities may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, the contractor's prices must not include the Federal Excise Tax.

(f) Remittance Fee

All pricing submitted to HURON VALLEY SCHOOLS and its participating entities shall include 2.0% remittance fee to be remitted to the MAC Cooperative by the contractor on a quarterly basis. Administrative fees will be paid against actual sales volume for each quarter. It is the contractor's responsibility to keep all pricing up to date and on file with Huron Valley Schools/MAC Cooperative. All price changes shall be presented to HURON VALLEY SCHOOLS for acceptance, using the same format as was accepted in the original contract.

4. INDEPENDENT CONTRACTOR

(a) Products/Services.

Contractor shall provide furniture, equipment, installation and/or design services, on behalf of the School District at the School District's facilities. All services provided by the Contractor shall be licensed by the State of Michigan and have experience in the area of furniture, equipment, installation and/or design services. The persons provided by the Contractor shall be available to provide the Services on a schedule that is mutually agreed upon by Contractor and School District; such Services to include, but not be limited to, furniture, equipment, installation and/or design services. School District reserves the right, in its sole and absolute discretion, to request removal or replacement of any of the Contractor's personnel. School District shall notify the Contractor of its intent in writing and the Contractor shall replace such personnel immediately.

(b) Relationship.

It is expressly agreed upon between the Contractor and the School District that Contractor will act as an independent contractor in the provision of performance of its services under this Contract and under no circumstances shall any of the employees of one Party be deemed the employees of the other for any purpose. This Contract shall not be construed as authority for either Party to act for the other

Party in any agency or other capacity or to make commitments of any kind for the account of, or on behalf of, the other Party, except to the extent, and for the purposes, expressly provided for and set forth herein, and no partnership or joint venture is created hereby. Neither Contractor nor its employees or agents shall be entitled to participate in any plans, arrangements, or distributions of the School District pertaining to or in connection with any fringe, pension, bonus, profit sharing, or similar benefits, or any medical, vision, dental, life or disability insurance plans. The School District will identify Contractor, including its employees and agents, as performing services for the School District as an independent contractor in any reports or filings that are required by law. The School District is not liable for any fees, charges or loss of pension or other retirement benefits under the Michigan Public School Employee Retirement System ("MPSERS") attributable to Contractor, or its employees or agents, and Contractor agrees to reimburse the School District for any fees, expenses or charges related to the same.

(c) Taxes, Workers Compensation Insurance and Other Expenses.

The Contractor shall be wholly responsible for paying all of its own taxes, including Federal and State Income Taxes, FICA, FUTA, Worker's Compensation, Unemployment and Single Business taxes to the extent that any or all of the foregoing are applicable. The Contractor shall indemnify, defend and hold harmless the School District from and against any claims by any taxing authority, for any taxes, interest or penalties relating to the Contractor or its owners, employees and agents, if any. The Contractor shall acquire, if required by law, workmen's compensation insurance for its owners, employees and agents, if any, and shall defend, indemnify and hold harmless School District from and against any claim for workmen's compensation brought by or an account of the Contractor or any of its owners, employees or agents.

(d) Assignment.

Neither Party shall assign this Contract, or any portion thereof, to any third party unless the non-assigning Party expressly consents to such assignment in writing. Any attempted assignment without that consent shall give the non-assigning Party the right to terminate this Contract.

5. APPLICABLE LAWS

(a) Family Educational Rights and Privacy Act.

The Contractor shall maintain records of all treatments and evaluations. Such records to include progress notes and a log of Services rendered. Contractor shall comply with all laws, rules and regulations promulgated pursuant to the Family Educational Rights and Privacy Act, 20 USC 1232g ("FERPA"). In accordance with FERPA and the regulations promulgated thereunder, the Contractor is performing institutional services and functions for the School District that would otherwise be performed by the School District and accordingly is considered a school official, provided that: (i) the Contractor shall use and maintain education records and personally identifiable information of students (PII) in accordance with FERPA and the School District's policies and procedures; (ii) the School District has the right to audit the Contractor's use and maintenance of School District's records (including education records and PII) at any time; and (ii) the Contractor shall not re-disclose any education records or PII of the School District or its students to any other Party without the prior written consent of the School District and the applicable parent or eligible student.

(b) Health Insurance Portability and Accountability Act.
The Parties hereto acknowledge and agree that the exchange of student health information may be subject to the Health Insurance Portability and Accountability Act of 1996 and the final regulations promulgated thereunder, as amended from time to time (collectively "HIPAA"). The Parties shall comply with HIPAA, all applicable state laws, rules and regulations governing health information and School District's policies and procedures with respect to the same. Subject to the limitations in this Paragraph, the School District shall provide Contractor with prescriptions for therapeutic evaluation and treatment and such information as the Contractor may request regarding a student's past and present medical history.

(c) School District Policies and Procedures.

The Contractor shall comply with any and all laws, rules, ordinances, policies, procedures and regulations, including any licensing and permitting requirements, applicable to providing the Products/Services anticipated under this Contract. The Contractor, including its employees and agents, shall be responsible for knowing the School District's policies and procedures concerning appropriate behavior of persons in School District facilities and, on School District properties, including for example, the prohibitions of sexual harassment and smoking, and shall comply with all such policies. The School District shall use its best efforts, as reasonably requested by the Contractor, to assist the Contractor to comply with any and all applicable federal, state or local laws, rules and regulations. The Contractor represents and warrants to the School District that it shall at all times be in compliance with any and all applicable federal and state laws, rules, ordinances,

policies, procedures and regulations and licensing and permitting requirement applicable to providing the Products/Services.

(d) Governing Law.

This Contract shall be governed by and construed in accordance with the laws of the State of Michigan. The Parties hereby agree to the exclusive jurisdiction and venue of courts sitting in Oakland County, Michigan.

6. INDEMNIFICATION

(a) General Indemnification.

The Contractor agrees to indemnify, defend and hold harmless the School District, its Board of Education, in their official and individual capacities, administrators, employees, agents, contractors, successors and assignees, from and against any and all claims, counter-claims, suits, debts, demands, actions, judgments, liens, costs, expenses, damages, and liabilities, including actual attorney's fees and actual expert witness fees arising out of or in connection with the Contractor's performance of this Contract and/or from the Contractor's violation of any of the terms of the Contract, including, but not limited to: (i) negligent acts or willful misconduct of the Contractor, its officers, directors, employees, successors, assignees, contractors and agents; (ii) any breach of the terms of this Contract by Contractor, its officers, directors, employees, successors, assignees, contractors and agents; (iii) any violation or breach of any applicable Federal, State or local law, rule, regulation or ordinance policy and/or licensing and permitting requirements applicable to providing the Products/Services; or (iv) any breach of any representation or warranty by the Contractor, its officers, directors, employees, successors, assignees, contractors and agents under this Contract. The Contractor agrees to notify the School District by certified mail, return receipt requested, immediately upon actual knowledge of any claim, suit, action, or proceeding for which the School District may be entitled to indemnification under this Contract. This Paragraph shall survive the expiration or earlier termination of this Contract.

7. TERMINATION.

(a) Termination for Cause
Huron Valley Schools may fully or partially terminate this Contract for cause by notifying the Contractor if the Contractor: (i) breaches any of its material duties or obligations (including a Chronic Failure to meet any SLA); or (ii) fails to cure a

breach within the time period specified in a notice of breach provided by Huron Valley Schools.

The Contractor must pay all reasonable costs incurred by Huron Valley Schools in terminating this Contract for cause, including administrative costs, attorneys' fees and court costs, and any additional costs Huron Valley Schools incurs to procure the deliverable(s) from other sources. Re-procurement costs are not consequential, indirect, or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Deliverable(s).

If Huron Valley Schools partially terminates this Contract for cause, any charges payable to the Contractor will be equitably adjusted to reflect those deliverable(s) that are terminated. Huron Valley Schools must pay for all deliverable(s) for which final acceptance has been granted before the termination date. Any services or related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

If Huron Valley Schools terminates this Contract for cause and it is determined, for any reason, that the Contractor was not in breach of the Contract, the termination will be deemed to have been a termination under Section 7(b), Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in that Section.

(b) Termination for Convenience

Huron Valley Schools may fully or partially terminate this Contract for its convenience if Huron Valley Schools determines that a termination is in Huron Valley Schools best interest. Reasons for the termination are within the sole discretion of Huron Valley Schools and may include: (a) Huron Valley Schools no longer needs the deliverable(s) specified in this Contract; (b) a relocation of office, program changes, or changes in laws, rules, or regulations make the Deliverable(s) no longer practical or feasible for Huron Valley Schools; (c) unacceptable prices for Contract changes; or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFQu issued by Huron Valley Schools. Huron Valley Schools may terminate this Contract for its convenience by giving Contractor notice at least 30 days before the date of termination. If Huron Valley Schools chooses to terminate this Contract in part, any charges payable to the Contractor must be equitably adjusted to reflect those deliverable(s) that are terminated.

(c) Termination for Criminal Conviction

Huron Valley Schools may terminate this Contract immediately and without further liability or penalty if the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor is convicted of a criminal offense related to a Huron Valley Schools, public, or private Contract or subcontract.

(d) Rights and Obligations upon Termination

If Huron Valley Schools terminates this Contract for any reason, the Contractor must:

(i) stop all work as specified in the notice of termination;

(ii) take any action that may be necessary, or that Huron Valley Schools may direct, to preserve and protect deliverable(s) or other Huron Valley Schools property in the Contractor's possession;

(iii) return all materials and property provided directly or indirectly to the Contractor by any entity, agent, or employee of Huron Valley Schools;

(iv) transfer title in and deliver to Huron Valley Schools, unless otherwise directed, all deliverable(s) intended to be transferred to Huron Valley Schools at the termination of the Contract (which will be provided to Huron Valley Schools on an "As-Is" basis except to the extent Huron Valley Schools compensated the Contractor for warranty services related to the materials);

(v) to the maximum practical extent, take any action to mitigate and limit potential damages, including terminating or limiting subcontracts and outstanding orders for materials and supplies; and

(vi) take all appropriate action to secure and maintain Huron Valley Schools information confidentially.

If Huron Valley Schools terminates this Contract under Section 7(b), Termination for Convenience, Huron Valley Schools must pay the Contractor all charges due for deliverable(s) provided before the date of termination and, if applicable, as a separate item of payment, for work-in-progress, based on a percentage of completion determined by Huron Valley Schools. All completed or partially completed deliverable(s) prepared by the Contractor, at the option of Huron Valley Schools, become Huron Valley Schools property, and the Contractor is entitled to receive equitable compensation for those deliverable(s). Regardless of the basis for the termination, Huron Valley Schools is not obligated to pay or otherwise compensate the Contractor for any lost expected future profits, costs, or expenses incurred with respect to deliverable(s) not actually completed.

If Huron Valley Schools terminates this contract for any reason, Huron Valley Schools may assume, at its option, any subcontracts and agreements for deliverable(s), and may pursue completion of the deliverable(s) by replacement contract or as Huron Valley Schools deems expedient.

SECTION 2.0 – GENERAL TERMS AND CONDITIONS

1. Laws

(a) General Authority

This Contract is governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of another jurisdiction to the extent not inconsistent with or preempted by federal law.

(b) Compliance with Laws

The Contractor must comply with all applicable federal, state, and local laws and ordinances in providing the products and services.

(c) Jurisdiction

Any dispute arising from the Contract must be resolved in the State of Michigan. With respect to any claim between the parties, the Contractor consents to venue in Oakland County, Michigan, and irrevocably waives any objections to this venue that it may have, such as lack of personal jurisdiction or forum non-conveniens. The Contractor must appoint agents in the State of Michigan to receive service of process.

(d) Nondiscrimination

In the performance of the Contract, the Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, or physical or mental disability. The Contractor further agrees that every subcontract entered into for the performance of this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of the Contract.

(e) Unfair Labor Practices

Under 1980 PA 278, MCL 423.321, et seq., Huron Valley Schools must not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under MCL 423.322. This information is compiled by the United States National Labor Relations Board. A Contractor of Huron Valley Schools, in relation to the Contract, must not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, Huron Valley Schools may void any Contract if, after award of the Contract, the name of the Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of the Contractor appears in the register.

(f) Environmental Provision

For the purposes of this section, "Hazardous Materials" include asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state, or local laws governing the protection of the public health, natural resources, or the environment:

(1) The Contractor must use, handle, store, dispose of, process, transport, and transfer any Hazardous Material according to all federal, State, and local laws. Huron Valley Schools must immediately advise the Contractor of the presence of any known Hazardous Material at the work site. If the Contractor encounters material reasonably believed to be Hazardous Material that may present a substantial danger, the Contractor must: (i) immediately stop all affected work; (ii) notify Huron Valley Schools; (iii) notify any entities required by law; and (iv) take appropriate health and safety precautions.

(2) Huron Valley Schools may issue a Stop Work Order if the material is a Hazardous Material that may present a substantial danger and the Hazardous Material was not brought to the site by the Contractor, or does not wholly or partially result from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials. Huron Valley Schools may remove the Hazardous Material, render it harmless, or terminate the affected work for Huron Valley School's convenience.

(3) If the Hazardous Material was brought to the site by the Contractor, or wholly or partially results from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor must bear its proportionate share of the delay and

costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to applicable laws. The Contractor must comply with all applicable federal, state, and local laws and ordinances in providing the products and services.

(g) Freedom of Information

This Contract and all information submitted to Huron Valley Schools by the Contractor is subject to the Michigan Freedom of Information Act (FOIA), 1976 PA 442, MCL 15.231, et seq.

(h) Abusive Labor Practices

The Contractor may not furnish any deliverable(s) that were produced fully or partially by forced labor, convict labor, forced or indentured child labor, or indentured servitude. "Forced or indentured child labor" means all work or service (1) exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or (2) performed by any person under the age of 18 under a contract the enforcement of which can be accomplished by process or penalties.

2. General Provisions

(a) Bankruptcy and Insolvency

Huron Valley Schools may, without prejudice to any other right or remedy, fully or partially terminate this contract and, at its option, take possession of the work-in-progress and finish the work-in-progress by whatever method Huron Valley Schools deems appropriate if:

(i) the Contractor files for bankruptcy protection;

(ii) an involuntary petition is filed against the Contractor and not dismissed within 30 days;

(iii) the Contractor becomes insolvent or a receiver is appointed due to the Contractor's insolvency;

(iv) the Contractor makes a general assignment for the benefit of creditors; or

(v) the Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can provide the deliverable(s) under this contract.

(b) Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the RFQu and this Contract or the project to which it relates will not be made without prior approval by Huron Valley Schools, and only in accordance with the instructions from Huron Valley Schools.

(c) Antitrust Assignment

The Contractor assigns to Huron Valley Schools any claim for overcharges resulting from county or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the contract.

(d) Entire Agreement

This contract constitutes the entire agreement between the parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter. All attachments referenced in this contract are incorporated in their entirety and form part of this contract.

(e) Headings

The captions and section headings used in this contract are for convenience only and may not be used to interpret the scope and intent of this contract.

(f) Reformation and Severability

Each provision of the contract is severable from all other provisions of the contract. If any provision of this contract is held unenforceable, then the contract will be modified to reflect the parties' original intent. All remaining provisions of the contract remain in full force and effect.

(g) Approval

Unless otherwise provided in this contract, approval(s) must be in writing and must not be unreasonably withheld or delayed.

(h) No Waiver of Default

Failure by a party to insist upon strict adherence to any term of the contract does not waive that party's right to later insist upon strict adherence to that term, or any other term, of the contract.

(i) Survival

The provisions of this contract that impose continuing obligations, including warranties, indemnification, and confidentiality, will survive the expiration or termination of this contract.

(j) Electronic Payment Requirement

The Contractor must be able to receive electronic fund transfer (EFT) payments.

(k) Cooperation with Third Parties

The Contractor and its Subcontractors must cooperate with Huron Valley Schools and its agents and other contractors, including Huron Valley Schools quality assurance personnel. The Contractor must provide reasonable access to its personnel, systems, and facilities related to the contract to the extent that access will not interfere with or jeopardize the safety or operation of the systems or facilities.

(l) Relationship of the Parties

The relationship between Huron Valley Schools and Contractor is that of client and independent contractor. No agent, employee, or servant of the Contractor, or any of its subcontractors, is an employee, agent or servant of Huron Valley Schools. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, and subcontractors during the performance of the Contract.

(m) Time of Performance

(i) The Contractor must immediately notify Huron Valley Schools upon becoming aware of any circumstances that may reasonably be expected to jeopardize the completion of any Deliverable(s) by the scheduled due dates in the latest Huron Valley Schools-approved delivery schedule and must inform Huron Valley Schools of the projected actual delivery date.

(ii) If the Contractor believes that a delay in performance by Huron Valley Schools has caused or will cause the Contractor to be unable to perform its obligations according to specified contract time periods, the Contractor must immediately notify Huron Valley Schools and, to the extent practicable, continue to perform its obligations according to the contract time periods. The Contractor will not be in default for a delay in performance to the extent the delay is caused by Huron Valley Schools.

(n) Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations that is caused by government regulations or requirements, power failure, electrical surges or current fluctuations, war, forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, acts or omissions of common carriers, fire, riots, civil disorders, labor disputes, embargoes, injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused), or any other cause beyond the reasonable control of a party; provided the non-performing party and any Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of contractor sources, workaround plans, or other means, including disaster recovery plans.

If a party does not perform its contractual obligations for any of the reasons listed, the non- performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. The non-performing party must promptly notify the other party immediately after the excusable failure occurs, and when it abates or ends. Both parties must use commercially reasonable efforts to resume performance.

If any of the reasons listed substantially prevent, hinder, or delay the Contractor's performance of the deliverable(s) for more than 10 days, and Huron Valley Schools reasonably determines that performance is not likely to be resumed within a period of time that is satisfactory to Huron Valley Schools, Huron Valley Schools may: (a) procure the affected deliverable(s) from the contractor's source without liability for payment so long as the delay in performance continues; or (b) terminate any portion of the Contract so affected and equitably adjust charges payable to the Contractor to reflect those deliverable(s) that are terminated. Huron Valley Schools must pay for all deliverable(s) for which Final Acceptance has been granted before the termination date.

The Contractor will not have the right to any additional payments from Huron Valley Schools as a result of any Excusable Failure or to payments for deliverable(s) not provided as a result of the Excusable Failure. The Contractor will not be relieved of a default or delay caused by acts or omissions of its Subcontractors except to the extent that a Subcontractor experiences an Excusable Failure and the Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of the contractor's sources, workaround plans, or other means, including disaster recovery plans.

(o) Retention of Records

(i) The Contractor must retain all financial and accounting records related to this Contract for a period of seven years after the Contractor performs any work under this contract (Audit Period).

(ii) If an audit, litigation, or other action involving the Contractor's records is initiated before the end of the Audit Period, the Contractor must retain the records until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

(p) Examination of Records

Huron Valley Schools, upon 10 days notice to the Contractor, may examine and copy any of the Contractor's records that relate to this contract. Huron Valley Schools does not have the right to review any information deemed confidential by the Contractor if access would require the information to become publicly available. This requirement also applies to the records of any parent, affiliate, or subsidiary organization of the Contractor, or any Subcontractor that performs services in connection with this contract.

(q) Audit Resolution

If necessary, the Contractor and Huron Valley Schools will meet to review any audit report promptly after its issuance. The Contractor must respond to each report in writing within 30 days after receiving the report, unless the report specifies a shorter response time. The Contractor and Huron Valley Schools must develop, agree upon, and monitor an action plan to promptly address and resolve any deficiencies, concerns, or recommendations in the report.

(r) Errors

(i) If an audit reveals any financial errors in the records provided to Huron Valley Schools, the amount in error must be reflected as a credit or debit on the next invoice and subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried forward for more than four invoices or beyond the termination of the contract. If a balance remains after four invoices, the remaining amount will be due as a payment or refund within 45 days of the last invoice on which the balance appeared or upon termination of the contract, whichever is earlier. (ii) In addition to other available remedies, if the difference between Huron Valley School's actual payment and the correct invoice amount, as determined by an audit, is greater than 10%, the Contractor must pay all reasonable audit costs.

(s) Disclosure of Litigation

(i) Within 30 days after receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") that arises during the term of this Contract, the Contractor must disclose the following to the Contract Administrator:

(1) A criminal Proceeding involving the Contractor (or any Subcontractor) or any of its officers or directors;

(2) A parole or probation proceeding;

(3) A proceeding involving the Contractor (or any Subcontractor) or any of its officers or

directors under the Sarbanes-Oxley Act; and

(4) A civil proceeding to which the Contractor (or, if the Contractor is aware, any Subcontractor) is a party, and which involves (A) a claim that might reasonably be expected to adversely affect the viability or financial stability of the Contractor or any Subcontractor; or (B) a claim or written allegation of fraud against the Contractor (or, if the Contractor is aware, any Subcontractor) by a governmental or public entity arising out of the Contractor's business dealings with governmental or public entities.

(ii) Information provided to Huron Valley Schools from the Contractor's publicly filed documents will satisfy the requirements of this Section.

(iii) If any proceeding that is disclosed to Huron Valley Schools or of which Huron Valley Schools otherwise becomes aware, during the term of this Contract, would cause a reasonable party to be concerned about:

(1) the ability of the Contractor (or a Subcontractor) to continue to perform this Contract; or

(2) whether the Contractor (or a Subcontractor) is engaged in conduct that is similar in nature to the conduct alleged in the Proceeding and would constitute a breach of this contract or a violation of federal or state law, regulations, or public policy, then the Contractor must provide Huron Valley Schools all requested reasonable assurances that the Contractor and its Subcontractors will be able to continue to perform this contract.

(t) Other Disclosures

The Contractor must notify Huron Valley Schools Administrator within 30 days of:

(i) becoming aware that a change in the Contractor's ownership or officers has occurred or is certain to occur; or

(ii) any changes to company affiliations.

(u) MAC Cooperative Requirements

(i) The Contractor will work with the MAC Cooperative to ensure that all purchasers are members before extending the Contract pricing.

(ii) To the extent that MAC Cooperative Members purchase Deliverable(s) under this contract, the quantities of Deliverable(s) purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

(iii) The Contractor must submit invoices to and receive payment from MAC Cooperative Members, Participating Entities, on a direct and individual basis.

3. Insurance

(a) Liability Insurance

For the purpose of this Section, "Huron Valley Schools" includes its departments, divisions, agencies, offices, commissions, officers, employees, and agents.

(i) The following apply to all insurance requirements:

(1) Huron Valley Schools, in its sole discretion, may approve the use of a fully-funded self- insurance program in place of any specified insurance identified in this Section.

(2) Where specific coverage limits are listed in this Section, they represent the minimum acceptable limits. If the Contractor's policy contains higher limits, Huron Valley Schools is entitled to coverage to the extent of the higher limits. The minimum limits of coverage specified are not intended, and may not be construed to limit any liability or indemnity of the Contractor to any indemnified party or other persons.

(3) If the Contractor fails to pay any premium for a required insurance policy, or if any insurer cancels or significantly reduces any required insurance without Huron Valley School's approval, Huron Valley Schools may, after giving the Contractor at least 30-days notice, pay the premium or procure similar insurance coverage from another company or companies. Huron Valley Schools may deduct any part of the cost from any payment due the Contractor, or require the Contractor to pay that cost upon demand.

(ii) The Contractor must:

(1) provide proof that it has obtained the minimum levels of insurance coverage indicated or required by law, whichever is greater. The insurance must protect Huron Valley Schools from claims that are alleged or may arise or result from the Contractor's or a Subcontractor's performance, including any person directly or indirectly employed by the Contractor or a Subcontractor, or any person for whose acts the Contractor or a Subcontractor may be liable.

(2) waive all rights against Huron Valley Schools for the recovery of damages that are covered by the insurance policies the Contractor is required to maintain under this Section. The Contractor's failure to obtain and maintain the required insurance will not limit this waiver.

(3) ensure that all insurance coverage provided relative to this Contract is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by Huron Valley Schools.

(4) obtain insurance, unless Huron Valley Schools approves otherwise, from any insurer that has an A.M. Best rating of "A" or better and a financial size of VII or better, or if those ratings are not available, a comparable rating from an insurance rating agency approved by Huron Valley Schools. All policies of insurance must be issued by companies that have been approved to do business in Huron Valley Schools.

(5) maintain all required insurance coverage throughout the term of this Contract and any extensions. However, in the case of claims-made Commercial General Liability policies, the Contractor must secure tail coverage for at least three years following the termination of this Contract.

(6) pay all deductibles.

(b) Subcontractor Insurance Coverage

Except where Huron Valley Schools has approved a subcontract with other insurance provisions, the Contractor must require any Subcontractor to purchase and maintain the insurance coverage required in Section 3.a, Liability Insurance. The Contractor may include a Subcontractor under the Contractor's insurance on the coverage required in that Section. The failure of a Subcontractor to comply with insurance requirements does not limit the Contractor's liability or responsibility.

(c) Certificates of Insurance and Other Requirements

Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that

Huron Valley Schools and its agents, officers, and employees are listed as additional insured's under each commercial general liability and commercial automobile liability policy. The Contractor must provide Huron Valley Schools Administrator with all applicable certificates of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in Section 3.a, Liability Insurance. Each certificate must be on the standard "accord" form or equivalent and MUST CONTAIN THE APPLICABLE CONTRACT OR PURCHASE ORDER NUMBER. Each certificate must be prepared and submitted by the insurer and must contain a provision indicating that the coverage afforded will not be cancelled, materially changed, or not renewed without 30 days prior notice, except for 10 days for nonpayment of premium, to Huron Valley Schools Administrator.

4. Indemnification

(a) General Indemnification

To the extent permitted by law, the Contractor must indemnify, defend, and hold Huron Valley Schools harmless from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor, any of its subcontractors, or by anyone else for whose acts any of them may be liable.

(b) Employee Indemnification

In any claims against Huron Valley Schools, its departments, agencies, commissions, officers, employees, and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation will not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts, or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

(c) Patent/Copyright Infringement Indemnification

(i) To the extent permitted by law, the Contractor must indemnify and hold Huron Valley Schools harmless from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest, and penalties) resulting

from any action threatened or brought against Huron Valley Schools to the extent that the action is based on a claim that any piece of equipment, software, commodity, or service supplied by the Contractor or its subcontractors, or its operation, use, or reproduction, infringes any United States patent, copyright, trademark or trade secret of any person or entity.

(ii) If, in Huron Valley Schools or the Contractor's opinion, any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or its operation, use, or reproduction, is likely to become the subject of an infringement claim, the Contractor must, at its expense: (i) procure for the State the right to continue using the equipment, software, commodity or service or, if this option is not reasonably available to the Contractor; (ii) replace or modify to Huron Valley Schools satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if this option is not reasonably available to Contractor; (iii) accept its return by Huron Valley Schools with appropriate credits to Huron Valley Schools against the Contractor's charges and reimburse Huron Valley Schools for any losses or costs incurred as a consequence of Huron Valley Schools ceasing its use and returning it.

(iii) Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend Huron Valley Schools for, or to pay any costs, damages or attorneys' fees related to, any infringement claim based upon: (i) equipment, software, commodity or service developed based on written specifications of Huron Valley Schools; (ii) use of the equipment, software, or commodity in a configuration other than implemented or approved by the Contractor, including any modification of the same by Huron Valley Schools; or (iii) the combination, operation, or use of the equipment, software, or commodity with equipment, software, or commodities not supplied by the Contractor under this Contract.

5. Continuing Obligation

The Contractor's duty to indemnify continues in full force and effect, notwithstanding the expiration or early cancellation of the contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

6. Limitation of Liability

Neither the Contractor nor Huron Valley Schools is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this contract calling for liquidated

damages; or to court costs or attorneys' fees awarded by a court in addition to damages after litigation based on this.

7. Warranties

(a) Warranties and Representations

The Contractor represents and warrants:

(i) It is capable of fulfilling and will fulfill all of its obligations under this contract. The performance of all obligations under this contract must be provided in a timely, professional, and workmanlike manner and must meet the performance and operational standards required under this contract.

(ii) The contract appendices, attachments, and exhibits identify the equipment, software, and services necessary for the Deliverable(s) to comply with the contract's requirements.

(iii) It is the lawful owner or licensee of any Deliverable licensed or sold to Huron Valley Schools by Contractor or developed by the Contractor for this contract, and Contractor has all of the rights necessary to convey to Huron Valley Schools the ownership rights or licensed use, as applicable, of any Deliverable(s). None of the Deliverable(s) provided by Contractor to Huron Valley Schools, nor their use by Huron Valley Schools, will infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party.

(iv) If the Contractor procures any equipment, software, or other Deliverable(s) for Huron Valley Schools (including equipment, software, and other Deliverable(s) manufactured, re-marketed or otherwise sold by the Contractor or under the Contractor's name), then the Contractor must assign or otherwise transfer to Huron Valley Schools or its designees, or afford Huron Valley Schools the benefits of, any manufacturer's warranty for the Deliverable(s).

(v) The contract signatory has the authority to enter into this contract on behalf of the Contractor.

(vi) It is qualified and registered to transact business in all locations where required.

(vii) Neither the Contractor nor any affiliates, nor any employee of either, has, will have, or will acquire, any interest that would conflict in any manner with the Contractor's performance of its duties and responsibilities to Huron Valley Schools or otherwise create an appearance of impropriety with respect to the award or performance of this contract. The Contractor must notify Huron Valley Schools

about the nature of any conflict or appearance of impropriety within two days of learning about it.

(viii) Neither the Contractor nor any affiliates, nor any employee of either, has accepted or will accept anything of value based on an understanding that the actions of the Contractor, its affiliates, or its employees on behalf of Huron Valley Schools would be influenced. The Contractor must not attempt to influence any Huron Valley Schools employee by the direct or indirect offer of anything of value.

(ix) Neither the Contractor nor any affiliates, nor any employee of either, has paid or agreed to pay any person, other than bona fide employees and consultants working solely for the Contractor or the affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(x) The Contractor arrived at its proposed prices independently, without communication or agreement with any other bidder for the purpose of restricting competition. The Contractor did not knowingly disclose its quoted prices for this contract to any other bidder before the award of the contract. The Contractor made no attempt to induce any other person or entity to submit or not submit a proposal for the purpose of restricting competition.

(xi) All financial statements, reports, and other information furnished by the Contractor to Huron Valley Schools in connection with the award of this contract fairly and accurately represent the Contractor's business, properties, financial condition, and results of operations as of the respective dates covered by the financial statements, reports, or other information. There has been no material adverse change in the Contractor's business, properties, financial condition, or results of operation.

(xii) All written information furnished to Huron Valley Schools by or for the Contractor in connection with the award of this contract is true, accurate, and complete, and contains no false statement of material fact nor omits any material fact that would make the submitted information misleading.

(xiii) It will immediately notify Huron Valley Schools Administrator if any of the certifications, representations, or disclosures made in the Contractor's original bid response change after the contract is awarded.

8. Warranty of Merchantability

The Deliverable(s) provided by the Contractor must be merchantable.

(a) Warranty of Fitness for a Particular Purpose

The Deliverable(s) provided by the Contractor must be fit for the purpose(s) identified in this contract.

(b) Warranty of Title

The Contractor must convey good title to any Deliverable(s) provided to Huron Valley Schools. All Deliverable(s) provided by the Contractor must be delivered free from any security interest, lien, or encumbrance of which Huron Valley Schools, at the time of contracting, has no knowledge. Deliverable(s) provided by the Contractor must be delivered free of any rightful claim of infringement by any third person.

(c) Consequences for Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in Section 3.6, Warranties, the breach may be considered a material default.

9. Contract Administration

(a) Issuing Office

This Contract is issued by Huron Valley Schools on behalf of all counties and local units of government. Huron Valley Schools Administrator or designee is the only entity authorized to modify the terms and conditions of this contract, including the prices and specifications. The Contract Administrator will be designated at the time of the contract award.

(b) Contract Administrator

The Contract Administrator will monitor and coordinate contract activities on a day-to-day basis.

(c) Contract Changes

(i) If Huron Valley Schools requests or directs the Contractor to provide any Deliverable(s) that the

Contractor believes are outside the scope of the Contractor's responsibilities under the contract, the Contractor must notify Huron Valley Schools before performing the requested activities. If the Contractor fails to notify Huron Valley Schools, any activities performed will be considered in-scope and not entitled to additional compensation or time. If the Contractor begins work outside the scope of the contract and then ceases performing that work, the Contractor must, at the request

of Huron Valley Schools, retract any out-of-scope work that would adversely affect the contract.

(ii) Huron Valley Schools or the Contractor may propose changes to the contract. If the Contractor or Huron Valley Schools requests a change to the Deliverable(s) or if Huron Valley Schools requests additional Deliverable(s), the Contractor must provide a detailed outline of all work to be done, including tasks, timeframes, listing of key personnel assigned, estimated hours for each individual per Deliverable, and a complete and detailed cost justification. If the parties agree on the proposed change, Huron Valley Schools Administrator will prepare and issue a notice that describes the change, its effects on the Deliverable(s), and any affected components of the contract (Contract Change Notice).

(iii) No proposed change may be performed until Huron Valley Schools issues a duly executed Contract Change Notice for the proposed change.

(d) Price Changes

Prices quoted for all Products/Services, are the maximum for a period of the contract becomes effective. Requested changes may include increases or decreases in price and must be accompanied by supporting information indicating market support of proposed modifications (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics).

(i) Huron Valley Schools may request a review upon 30 days written notice that specifies what deliverable is being reviewed. At the review, each party may present supporting information including information created by, presented, or received from third parties.

(ii) Following the presentation of supporting information, both parties will have 30 days to review the supporting information and prepare any written response.

(iii) In the event the review reveals no need for modifications of any type, pricing will remain unchanged unless mutually agreed to by the parties. However, if the review reveals that changes may be recommended, both parties will negotiate in good faith for 30 days unless extended by mutual agreement of the parties.

(iv) If the supporting information reveals a reduction in prices is necessary and Contractor agrees to reduce rates accordingly, then Huron Valley Schools may elect to exercise the next one-year option, if available.

(v) If the supporting information reveals a reduction in prices is necessary and the parties are unable to reach agreement, then Huron Valley Schools may eliminate all remaining contract renewal options.

(vi) Any changes based on the review must be implemented through the issuance of a Contract Change Notice.

(e) Covenant of Good Faith

Each party must act reasonably and in good faith. Unless otherwise provided in this contract, the parties will not unreasonably delay, condition or withhold their consent, decision, or approval any time it is requested or reasonably required in order for the other party to perform its responsibilities under the contract.

(f) Assignments

(i) Neither party may assign this contract, or assign or delegate any of its duties or obligations under the contract, to another party (whether by operation of law or otherwise), without the prior approval of the other party. Huron Valley Schools may, however, assign this contract to any other Huron Valley Schools, or local unit of government without the prior approval of the Contractor.

(ii) If the Contractor intends to assign this contract or any of the Contractor's rights or duties under the contract, the Contractor must notify Huron Valley Schools and provide adequate information about the assignee at least 90 days before the proposed assignment or as otherwise provided by law or court order. Huron Valley Schools may withhold approval from proposed assignments, subcontracts, or novations if Huron Valley Schools determines, in its sole discretion, that the transfer of responsibility would decrease Huron Valley Schools likelihood of receiving performance on the contract or Huron Valley Schools ability to recover damages.

(iii) If Huron Valley Schools permits an assignment of the Contractor's right to receive payments, the Contractor is not relieved of its responsibility to perform any of its contractual duties. All payments must continue to be made to one entity.

10. Acceptance of Deliverables

(a) Delivery Responsibilities

Unless otherwise specified by Huron Valley Schools, the following are applicable to all deliveries:

(i) The Contractor is responsible for delivering the deliverable(s) by the applicable delivery date to the location(s) specified in the SOW or individual Purchase Order.

(ii) The Contractor must ship the deliverable(s) "F.O.B. Destination, within Government Premises."

(iii) Huron Valley Schools will examine all packages at the time of delivery. The quantity of packages delivered must be recorded and any obvious visible or suspected damage must be noted at the time of delivery using the shipper's delivery document(s) and appropriate procedures to record the damage.

(b) Process for Acceptance of Deliverable(s)

Huron Valley Schools review period for acceptance of the deliverable(s) is governed by the applicable Statement of Work, and if the Statement of Work does not specify Huron Valley Schools review period, it is by default 30 days for a deliverable (Huron Valley Schools Review Period). Huron Valley Schools will notify the Contractor by the end of Huron Valley Schools Review Period that either:

(i) the deliverable is accepted in the form delivered by the Contractor;

(ii) the deliverable is accepted, but noted deficiencies must be corrected; or

(iii) the deliverable is rejected along with notation of any deficiencies that must be corrected before acceptance of the deliverable. If Huron Valley Schools delivers to the Contractor a notice of deficiencies, the Contractor will correct the described deficiencies and within 30 Days resubmit the deliverable(s) with an explanation that demonstrates all corrections have been made to the original deliverable(s). The Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected deliverable from the Contractor, Huron Valley Schools will have a reasonable additional period of time, not to exceed 30 Days, to accept the corrected deliverable.

(c) Acceptance of Deliverable(s)

(i) Huron Valley Schools obligation to comply with any Huron Valley Schools Review Period is conditioned on the timely delivery of the deliverable(s). Huron Valley Schools Review Period will begin on the first business day following Huron Valley Schools receipt of the deliverable(s).

(ii) Huron Valley Schools may inspect the deliverable to confirm that all components have been delivered without material deficiencies. If Huron Valley Schools determines that the deliverable or one of its components has material deficiencies, Huron Valley Schools may reject the deliverable without performing any further inspection or testing.

(iii) Huron Valley Schools will only approve a deliverable after confirming that it conforms to and performs according to its specifications without material deficiency. Huron Valley Schools may, in its discretion, conditionally approve a deliverable that contains material deficiencies if Huron Valley Schools elects to

permit the Contractor to correct those deficiencies post-approval. The Contractor remains responsible for working diligently to correct within a reasonable time at the Contractor's expense, all deficiencies in the deliverable that remain outstanding at the time of Huron Valley Schools approval. (d) If, after three opportunities the Contractor is unable to correct all deficiencies, Huron Valley Schools may: (i) demand that the Contractor cure the failure and give the Contractor additional time to do so at the sole expense of the Contractor; (ii) keep the Contract in force and perform, either itself or through other parties, whatever the Contractor has failed to do, and recover the difference between the cost to cure the deficiency and the Contract price plus an additional amount equal to 10% of Huron Valley Schools cost to cure the deficiency; or (iii) fully or partially terminate the Contract for default by giving notice to the Contractor. Notwithstanding the foregoing, Huron Valley Schools cannot use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat Huron Valley Schools Review Period that could reasonably have been discovered during a prior Huron Valley Schools Review Period.

(iv) Huron Valley Schools, at any time and in its reasonable discretion, may reject the deliverable without notation of all deficiencies if the acceptance process reveals deficiencies in a sufficient quantity or of a sufficient severity that renders continuing the process unproductive or unworkable.

11. Stop Work Order & Termination

(a) Stop Work Order

Huron Valley Schools may, by issuing a Stop Work Order, require that the Contractor fully or partially stop work for a period of up to 90 calendar days, and for any further period to which the parties agree. Upon receipt of the Stop Work Order, the Contractor must immediately take all reasonable steps to minimize incurring costs. Within the period of the Stop Work Order, Huron Valley Schools must either: (1) terminate the Stop Work Order; or (2) terminate the work covered by the Stop Work Order.

(b) Termination of Stop Work Order

The Contractor must resume work if Huron Valley Schools terminates a Stop Work Order or if it expires. The parties will agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract must be modified, if: (a) the Stop Work Order results in an increase in the time required for, or the Contractor's costs properly allocated to, the performance of the Contract; and (b) the Contractor asserts its right to an equitable adjustment within 20 days after the end of the Stop Work Order by submission of a request for adjustment to Huron

Valley Schools; provided that, Huron Valley Schools may receive and act upon the Contractor's request submitted at any time before final payment. Any adjustment will conform to the requirements of Section 9(c), Contract Changes.

(c) Allowance of the Contractor's Costs

If Huron Valley Schools fully or partially terminates the work covered by the Stop Work Order, for reasons other than material breach, the termination is a termination for convenience. Termination by Huron Valley Schools, and Huron Valley Schools will pay reasonable costs resulting from the Stop Work Order in arriving at the termination settlement. Huron Valley Schools is not liable to the Contractor for lost profits because of a Stop Work Order issued under dis 11.ac, Stop Work.

(d) Notice and Right to Cure

If the Contractor breaches the Contract, and Huron Valley Schools, in its sole discretion, determines that the breach is curable, Huron Valley Schools will provide the Contractor notice of the breach and a period of at least 30 days to cure the breach. Huron Valley Schools does not need to provide notice or an opportunity to cure for successive or repeated breaches or if Huron Valley Schools determines, in its sole discretion, that a breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

(e) Reservation of Rights

In the event of any full or partial termination of this contract, each party reserves all rights or remedies otherwise available to the party.

(f) Contractor Transition Responsibilities

If this Contract terminates under, Termination by Huron Valley Schools, the Contractor must make reasonable efforts to transition the performance of the work, including all applicable equipment, services, software, and leases, to Huron Valley Schools or a third party designated by Huron Valley Schools within a reasonable period of time that does not exceed 30 days from the date of termination. The Contractor must provide any required reports and documentation.

(g) Termination by Contractor

If Huron Valley Schools breaches the contract and the Contractor, in its sole discretion, determines that the breach is curable, the Contractor will then provide

Huron Valley Schools with notice of the breach and a time period (not less than 30 days) to cure the breach.

The Contractor may terminate this Contract if Huron Valley Schools:

(i) materially breaches its obligation to pay the Contractor undisputed amounts due;

(ii) breaches its other obligations to an extent that makes it impossible or commercially impractical for the Contractor to complete the deliverable(s); or

(iii) does not cure the breach within the time period specified in a notice of breach. The Contractor must discharge its obligations before it terminates the contract.