



Technology Funding Agreement

This Agreement ("Contract" or "Agreement") is made and entered into as of December 15, 2010, between New Hope Technology Foundation ("New Hope"), One Valentine Lane, Chapel Hill, NC 27516, and Union County School District ("District") located at 400 North Church Street, Monroe, North Carolina 28112-4730.

Recitals:

WHEREAS, New Hope is in the business of providing technology planning, strategic technology funding assistance, and E-Rate form preparation and compliance; and District is a local education authority providing K-12 education to the children in its serving area,

WHEREAS, District is eligible for the receipt of e-Rate funding from the Federal Communications Commission and in order to meet the requirements of eligibility seeks assistance from New Hope in the preparation of applications and associated documents and the administration and regulatory compliance of and with the e-Rate program.

NOW, THEREFORE, in consideration of the mutual promises herein contained and intending to be legally bound hereby, the parties agree as follows:

I. Scope of Work

- A. The District agrees to retain New Hope as its contractor to perform all work set forth herein and in **Attachment C** to this Contract on the terms and conditions set forth herein.
- B. New Hope will act as the District's agent for E-Rate and will process the E-Rate applications through the administrative and regulatory approval process, including the Schools and Libraries Division (SLD) of the Federal Communications Commission (FCC). Management and responses to administrative appeals of adverse decisions, if any, are included in the engagement.
New Hope represents that it possesses the qualifications, resources, and experienced and qualified personnel to provide such services.
- C. New Hope will perform all work associated with the E-rate application process beginning with the e-Rate application deadline following the signing of this Agreement and until the District and New Hope cancel this Agreement by giving written notice to each other by June 30th of each year. New Hope will also handle all aspects of any appeal from prior E-rate funding years if requested by the District at no additional charge to the district.
- D. New Hope will not directly perform any legal service for the District, but will retain an experienced regulatory attorney for its own use if needed.

II. Term

The term of this Agreement shall commence upon the date first set forth above and shall expire on June 30th of the first year in which New Hope files for e-Rate funding. The Agreement will be renewed for subsequent years unless the District or New Hope cancels the Agreement by giving written notice by June 30th of each year. Cancellation of the Agreement shall not eliminate the obligation of the District to pay fees due on applications



that might have been filed by New Hope prior to the notice of cancellation with E-Rate which might not have yet been approved. In the event such applications are approved by E-Rate subsequent to cancellation, fees earned on such approved applications will be payable according to the terms of this Agreement.

III. District's Payment Obligation to New Hope

New Hope's fee for its services is 5% of the approved funding, provided however, that payment of New Hope's fee shall occur as follows:

- a) Upon submitting the FCC Form 471 to the SLD, 40% of the above fee is due New Hope as the first installment.
- b) The balance of New Hope's fee of all approved funding, less the first installment, is due New Hope when an SLD Funding Commitment Decision Letter (FCDL) is issued.

In total, New Hope will receive the above referenced percentage of all approved funding as the fee for service (an audit will be performed at the end of the SLD funding cycle to reconcile payments to New Hope versus funding approved. If no funding has been approved by the SLD as a result of the 471 application(s), New Hope's first installment received under a.) above will be returned).

If an adverse SLD decision is appealed, final payment shall be made when the District is notified that the appeal has been successful.

All fees are due and payable at New Hope's office in Chapel Hill, NC.

IV. Independent Contractor

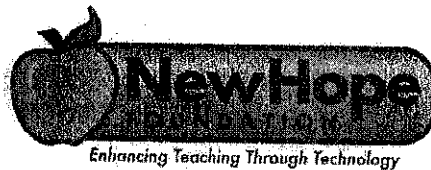
The parties acknowledge and agree that New Hope is an independent contractor.

V. Mutual Cooperation

Time is of the essence in performing all work under this Agreement. The Parties shall cooperate with each other in the performance of their services hereunder, including securing and providing all information and data in a timely manner so that all filings are completed as due.

VI. Confidentiality

- A. The Parties agree that all financial, statistical, or proprietary information provided by either Party, one to the other, or to the District will be kept confidential.
- B. New Hope agrees that any technical, or marketing information owned or used by the District and designated as proprietary under this Agreement shall not be used without the written consent of the District.
- C. The District agrees that any technical or marketing information owned or used by New Hope, including this Agreement, and designated as proprietary under this Agreement shall not be used without the written consent of New Hope.



VII. Assignment

Neither party may assign this Contract or any right or interest herein, without the prior written consent of the other party, which consent shall not be unreasonably withheld.

VIII. Miscellaneous

- A. Any amendment, supplement, or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both parties.
- B. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assigns.
- C. The WHEREAS and NOW THEREFORE clauses and paragraph headings are not solely for convenience, but in fact demonstrate the interpretation to be accorded this Agreement.
- D. All agreements and covenants herein are severable, and in the event any of them is held to be invalid by any competent court, the Agreement will be interpreted as if such invalid agreements or covenants were not contained herein. The parties further agree that in the event such portion is an essential part of this Agreement, they will immediately begin negotiations for a replacement.
- E. New Hope will comply with all applicable federal, state, county and local laws, ordinances, regulations and codes in the performance of their obligations hereunder.
- F. No waiver by any party of the breach of any term or provision of the Agreement will be construed to be a waiver of any proceeding or succeeding breach of the same or any other term or provision.
- G. It is agreed that this Agreement shall be interpreted under the laws of the State of North Carolina and any action brought in a court of law to enforce this Agreement or any portion of it shall be brought in the State of North Carolina, Orange County.
- H. New Hope will receive no fees or other remuneration of any kind from any other party except the school district with which it is contracted.
- I. Attachments A, B & C are integral parts of this Agreement.

IX. Limitation of Liability

New Hope will not be held responsible or liable for any indirect, special, incidental, consequential, or punitive loss or damage of any kind, including loss of funding (whether or not New Hope had been advised of the possibility of such loss or damage) by reason of any act or omission in its performance under this Agreement.

X. Integration Clause

The Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements. New Hope and the District stipulate that neither has made any representations with respect to the subject matter of the Agreement or any other representations except such representations as are specifically set forth herein. New Hope and the District further acknowledge that any representations that may have heretofore been made by either to the other are of no effect and that none of them have relied thereon in connection with their dealings with the other.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized representatives all as of the date first above written.

New Hope Technology Foundation:

By: John W. Hughes
John W. Hughes, President

Date: 12-15-10

District:

By: [Signature]
Authorized Signature & Title

Date: 1/4/11



ATTACHMENT A STANDARD TERMS AND CONDITIONS

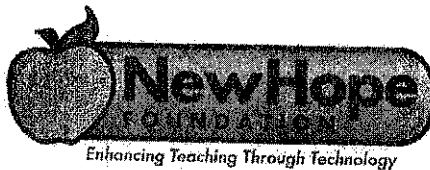
1. **Acceptance.** New Hope Technology Foundation's (hereafter after referred to as "New Hope" or "New Hope") acknowledgment of the terms of this Contract constitutes an agreement to (i) all terms and conditions set forth or referenced herein, (ii) on any attachments hereto, (iii) any applicable solicitation documentation related to this Contract (including without limitation any request for proposals or invitation for bids or New Hope's response thereto) that deal with the same subject matter as this Contract, and (iv) any other terms and conditions of a written agreement signed by New Hope and the Union County Board of Education (hereafter referred to as UCBOE) that deals with the same subject matter as this Contract (collectively, the "Contract Documents"). The terms and provisions set forth in the Contract Documents shall constitute the entire agreement between New Hope and UCBOE with respect to the purchase by UCBOE of the (i) goods ("Goods") and/or (ii) services provided or work performed ("Services") as described in the Contract Documents. The agreements set forth in the Contract Documents are sometimes referred to herein as the "Contract." In the event of any conflict between any terms and conditions of the Contract Documents, the terms and conditions most favorable to UCBOE shall control. No additional or supplemental provision or provisions in variance herewith that may appear in New Hope's quotation, acknowledgment, invoice or in any other communication from New Hope to UCBOE shall be deemed accepted by or binding on UCBOE. UCBOE hereby expressly rejects all such provisions which supplement, modify or otherwise vary from the terms of the Contract Documents, and such provisions are superseded by the terms and conditions stated in the Contract Documents, unless and until UCBOE's authorized representatives expressly assent, in writing, to such provisions. Stenographic and clerical errors and omissions by UCBOE are subject to correction.
2. **Quantities.** Shipments must equal exact amounts ordered unless otherwise agreed in writing by UCBOE. The award of a term contract neither implies nor guarantees any minimum or maximum purchases.
3. **Prices.** If New Hope's price or the regular market price of any of the Goods or Services covered hereunder is lower than the price stated in the Contract Documents on the date of shipment of such Goods or Services, New Hope agrees to give UCBOE the benefit of such lower price on any such Goods or Services. In no event shall New Hope's price be higher than the price last quoted or last charged to UCBOE unless otherwise agreed in writing. No charges for transportation, boxing, crating, etc. are allowable unless such charges are included in the Contract Documents.
4. **Price Adjustments (term contracts only).** Any price changes, downward or upward, which might be permitted during the contract period must be general, either by reason of market change or on the part of the New Hope to other customers.
 - a. **Notification:** Must be given to UCBOE in writing concerning any proposed price adjustments. Such notification shall be accompanied by a copy of manufacturer's official notice or other acceptable evidence that the change is general in nature.
 - b. **Decreases:** UCBOE shall receive full proportionate benefit immediately at any time during the contract period.
 - c. **Increases:** All prices shall be firm against any increase for 180 days from the effective date of the Contract. After this period, a request for increase may be submitted with UCBOE reserving the right to accept or reject the increase, or cancel the Contract. Such action by UCBOE shall occur not later than 15 days after the receipt by UCBOE of a properly documented request for price increase. Any increases accepted shall become effective not later than 30 days after the expiration of the original 15 days reserved to evaluate the request for increase.
5. **Invoices:** It is understood and agreed that orders will be shipped at the established Contract prices in effect on dates orders are placed. Invoicing at variance with this provision will subject the Contract to cancellation. Applicable North Carolina sales tax shall be invoiced as a separate item. Invoices shall be sent to UCBOE's accounts payable department with a copy to the UCBOE Project Coordinator.
6. **Freight on Board.** All shipments of Goods are freight on board destination unless otherwise stated in the Contract Documents.
7. **Taxes.** Any applicable taxes shall be invoiced as a separate item.
8. **Payment Terms.** Payment terms are Net 30 days after receipt of correct invoice or acceptance of Goods or Services, whichever is later.
9. **Condition and Packaging.** Unless otherwise provided by special terms and conditions or specifications, it is understood and agreed that any item offered or shipped has not been sold or used for any purpose and shall be in first class condition. All containers/packaging shall be suitable for handling, storage or shipment.
10. **Delays in Shipment.** Time and date of delivery are of the essence, except when delay is due to causes beyond New Hope's reasonable control and without New Hope's fault or negligence.
11. **Risk of Loss.** New Hope shall have the risk of loss of and damage to the Goods subject to the Contract Documents until such Goods are delivered to the destination and accepted by UCBOE or its nominee.



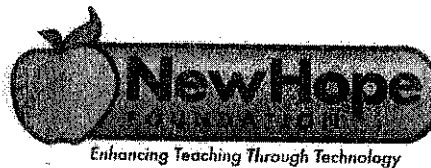
12. **Rejection.** All Goods and Services shall be received subject to UCBOE's inspection. Goods or Services that are defective in workmanship or material or otherwise not in conformity with the requirements of the Contract Documents may be rejected and returned at New Hope's expense or may be accepted at an appropriate reduction in price. UCBOE may require New Hope to promptly replace or correct any rejected Goods or Services and, if New Hope fails to promptly replace or correct such Goods or Services, UCBOE may contract with a third party to replace such Goods and Services and charge New Hope the additional cost.
13. **Compliance with All Laws.** New Hope warrants that all performance hereunder shall be in accordance with all applicable federal, state and local laws, regulations and orders.
14. **Warranties.** New Hope warrants that all Goods and Services delivered hereunder will be free from defects in materials and workmanship and will conform strictly to the specifications, drawings, or samples specified or furnished. This warranty shall survive any inspection, delivery, acceptance or payment by UCBOE of the Goods and Services and shall run to UCBOE and any user of the Goods or Services. This express warranty is in addition to New Hope's implied warranties of merchantability and fitness for a particular purpose which shall not be disclaimed. In addition to any other rights available at law or equity, UCBOE shall be entitled to all rights and remedies provided by the Uniform Commercial Code, Chapter 25 of the North Carolina General Statutes, for breach of express warranties and implied warranties of merchantability or fitness for a particular purpose, including but not limited to consequential and incidental damages.
15. **Indemnification.** New Hope shall indemnify and hold harmless UCBOE, its officers, agents, employees and assigns from and against all claims, losses, costs, damages, expenses, attorneys' fees and liability that any of them may sustain (a) arising out of New Hope's failure to comply with any applicable law, ordinance, regulation, or industry standard or (b) arising directly or indirectly out of New Hope's performance or lack of performance of the terms and conditions of the Contract. In the event that any Goods or Services sold and delivered or sold and performed under the Contract Documents shall be defective in any respect whatsoever, New Hope shall indemnify and save harmless UCBOE, its officers, agents, employees and assigns from all loss or the payment of all sums of money by reason of all accidents, injuries or damages to persons or property that shall happen or occur in connection with the use or sale of such Goods or Services and are contributed to by said condition. In the event New Hope, its employees, agents, subcontractors and or lower-tier subcontractors enter premises occupied by or under the control of UCBOE in the performance of the Contract Documents, New Hope agrees that it will indemnify and hold harmless UCBOE, its officers, agents, employees and assigns, from any loss, costs, damage, expense or liability by reason of property damage or personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with such entry.
16. **Insurance.** Unless such insurance requirements are waived or modified by UCBOE or Insurance and Risk Management New Hope certifies that it currently has and agrees to purchase and maintain during its performance under the Contract the following insurance from one or more insurance companies acceptable to UCBOE and authorized to do business in the State of North Carolina: Professional Liability Insurance - New Hope Foundation as Contractor will obtain professional liability insurance covering acts, errors, mistakes, and omissions arising out of the work or services performed by said Contractor, or any person employed by Contractor, with a limit of not less than \$1,000,000 each claim. Automobile - New Hope shall maintain bodily injury and property damage liability insurance covering all owned, non-owned and hired automobiles. The policy limits of such insurance shall not be less than \$1,000,000 combined single limit each person/each occurrence. Commercial General Liability - New Hope shall maintain commercial general liability insurance that shall protect New Hope from claims of bodily injury or property damage which arise from performance under the Contract. This insurance shall include coverage for contractual liability. The policy limits of such insurance shall not be less than \$1,000,000 combined single limit each occurrence/annual aggregate. Worker's Compensation and Employers' Liability Insurance - If applicable to New Hope, New Hope shall meet the statutory requirements of the State of North Carolina for worker's compensation coverage and employers' liability insurance. New Hope shall also provide any other insurance or bonding specifically recommended in writing by the DIRM or required by applicable law. Certificates of such insurance shall be furnished by New Hope to UCBOE and shall contain the provision that UCBOE be given 30 days' written notice of any intent to amend or terminate by either New Hope or the insuring company. Failure to furnish insurance certificates or to maintain such insurance shall be a default under the Contract and shall be grounds for immediate termination of the Contract.
17. **Termination for Convenience.** UCBOE shall have the right, without assigning any reason therefore, to terminate any work under the Contract Documents, in whole or in part, at any time at its complete discretion by providing 10 days notice in writing from UCBOE to New Hope. If the Contract is terminated by UCBOE in accordance with this paragraph, New Hope will be paid in an amount which bears the same ratio to the total compensation as does the Goods or Services actually delivered or performed to the total originally contemplated in the Contract. UCBOE will not be liable to New Hope for any costs for completed Goods, Goods in process or materials acquired or contracted for, if such costs were incurred prior to the date of this Contract.
18. **Termination for Default.** UCBOE may terminate the Contract, in whole or in part, immediately and without prior notice upon breach of the Contract by New Hope. In addition to any other remedies available to UCBOE law or equity, UCBOE may



- procure upon such terms as UCBOE shall deem appropriate, Goods or Services substantially similar to those so terminated, in which case New Hope shall be liable to UCBOE for any excess costs for such similar supplies or services and any expenses incurred in connection therewith.
19. **Contract Funding.** It is understood and agreed between New Hope and UCBOE that UCBOE's obligation under the Contract is contingent upon the availability of appropriated funds from which payment for Contract purposes can be made. No legal liability on the part of UCBOE for any payment may arise until funds are made available to UCBOE's Finance Officer and until New Hope receives notice of such availability. Should such funds not be appropriated or allocated, the Contract shall immediately be terminated. UCBOE shall not be liable to New Hope for damages of any kind (general, special, consequential or exemplary) as a result of such termination.
 20. **Accounting Procedures.** New Hope shall comply with any accounting and fiscal management procedures prescribed by UCBOE to apply to the Contract. New Hope shall assure such fiscal control and accounting procedures as may be necessary for proper disbursement of and accounting for all project funds.
 21. **Improper Payments.** New Hope shall assume all risks attendant to any improper expenditure of funds under the Contract. New Hope shall refund to UCBOE any payment made pursuant to the Contract if it is subsequently determined by audit that such payment was improper under any applicable law, regulation or procedure. New Hope shall make such refunds within 30 days after UCBOE notifies New Hope in writing that a payment has been determined to be improper.
 22. **Contract Transfer.** New Hope shall not assign, subcontract or otherwise transfer any interest in the Contract without the prior written approval of UCBOE.
 23. **Contract Personnel.** New Hope agrees that it has, or will secure at its own expense, all personnel required to perform the services set forth in the Contract.
 24. **Key Personnel.** New Hope shall not substitute for key personnel assigned to the performance of the Contract without prior written approval from UCBOE Project Coordinator. "Key personnel" are defined as those individuals identified by name or title in the Contract Documents or in written communication from New Hope. "UCBOE Project Coordinator" is the individual at UCBOE responsible for administering the Contract.
 25. **Contract Modifications.** The Contract may be amended only by written amendment duly executed by both UCBOE and New Hope. However, minor modifications may be made by UCBOE Project Coordinator to take advantage of unforeseen opportunities that: (a) do not change the intent of the Contract or the scope of New Hope's performance; (b) do not increase New Hope's total compensation or method of payment; and (c) either improve the overall quality of the product or service to UCBOE without increasing the cost, or reduce the total cost of the product or service without reducing the quantity or quality. All such minor modifications to the Contract must be recorded in writing and signed by both the Project Coordinator and New Hope, and placed on file with the Contract. No price adjustments will be made unless the procedure has been included in the Contract and a maximum allowable amount stipulated.
 26. **Relationship of Parties.** New Hope is an independent contractor and not an employee of UCBOE. The conduct and control of the work will lie solely with New Hope. The Contract shall not be construed as establishing a joint venture, partnership or any principal-agent relationship for any purpose between New Hope and UCBOE. Employees of New Hope shall remain subject to the exclusive control and supervision of New Hope, which is solely responsible for their compensation.
 27. **Advertisement.** The Contract will not be used in connection with any advertising by New Hope without prior written approval by UCBOE.
 28. **Nondiscrimination.** During the performance of the Contract, New Hope shall not discriminate against or deny the Contract's benefits to any person on the basis of sexual orientation, national origin, race, ethnic background, color, religion, gender, age or disability.
 29. **Conflict of Interest.** New Hope represents and warrants that no member of UCBOE or any of its employees or officers has a personal or financial interest or will benefit from the performance of the Contract or has any interest in any Contract, subcontract or other agreement related to the Contract. New Hope shall not permit any member of UCBOE or any of its employees or officers to obtain a personal or financial interest or benefit from the performance of the Contract or to have any interest in any Contract, subcontract or other agreement related to the Contract, during the term of the Contract. New Hope shall cause this paragraph to be included in all Contracts, subcontracts and other agreements related to the Contract.
 30. **Gratuities to UCBOE.** The right of New Hope to proceed may be terminated by written notice if UCBOE determines that New Hope, its agent or another representative offered or gave a gratuity to an official or employee of UCBOE in violation of policies of UCBOE.
 31. **Kickbacks to New Hope.** New Hope shall not permit any kickbacks or gratuities to be provided, directly or indirectly, to itself, its employees, subcontractors or subcontractor employees for the purpose of improperly obtaining or rewarding favorable treatment in connection with a UCBOE Contract or in connection with a subcontract relating to a UCBOE Contract. When New



- Hope has grounds to believe that a violation of this clause may have occurred, New Hope shall promptly report to UCBOE in writing the possible violation.
32. **Monitoring and Evaluation.** New Hope shall cooperate with UCBOE, or with any other person or agency as directed by UCBOE, in monitoring, inspecting, auditing or investigating activities related to the Contract. New Hope shall permit UCBOE to evaluate all activities conducted under the Contract. UCBOE has the right at its sole discretion to require that New Hope remove any employee of New Hope from UCBOE property and from performing services under the Contract following provision of notice to New Hope of the reasons for UCBOE's dissatisfaction with the services of New Hope's employee.
 33. **Financial Responsibility.** New Hope is financially solvent and able to perform under the Contract. If requested by UCBOE, New Hope agrees to provide a copy of its latest audited annual financial statements or other financial statements as deemed acceptable by UCBOE's Finance Officer. In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against New Hope, the inability of New Hope to meet its debts as they become due or in the event of the appointment, with or without New Hope's consent, of an assignee for the benefit of creditors or of a receiver, then UCBOE shall be entitled, at its sole option, to cancel any unfulfilled part of the Contract without any liability whatsoever.
 34. **Governmental Restrictions.** In the event any governmental restrictions are imposed which necessitate alteration of the material, quality, workmanship or performance of the items offered prior to their delivery, it shall be the responsibility of the New Hope to notify, in writing, the issuing purchasing office at once, indicating the specific regulation which required such alterations. UCBOE reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract.
 35. **Inspection at New Hope's Site.** UCBOE reserves the right to inspect, at a reasonable time, the equipment/item, plant or other facilities of a prospective contractor prior to Contract award, and during the Contract term as necessary for UCBOE determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the Contract.
 36. **Confidentiality Information. Student Information.** If, during the course of New Hope's performance of the Contract, New Hope should obtain any information pertaining to the students' official records, New Hope agrees to keep any such information confidential and to not disclose or permit to be disclosed, directly or indirectly, to any person or entity any such student information. The Contract shall not be construed by either party to constitute a waiver of or to in any manner diminish the provisions for confidentiality of students' records. Additionally, pursuant to N.C.G.S. 115C-401.1, Prohibition on the Disclosure of Information about Students, it is unlawful for a person who enters into a contract with a local board of education to sell personally identifiable information that is obtained from a student as a result of that person's performance under the Contract. **Employee Personnel Information.** If, during the course of New Hope's performance of the Contract, New Hope should obtain any information pertaining to employees of UCBOE's personnel records, New Hope agrees to keep any such information confidential and to not disclose or permit to be disclosed, directly or indirectly, to any person or entity any such personnel information. **Other Confidential Information.** (a) New Hope agrees that it will at all times hold in confidence for UCBOE all designs, know-how, techniques, devices, drawings, specifications, patterns, technical information, documents, business plans, item requirements, forecasts and similar data, oral, written or otherwise, conveyed by UCBOE to New Hope in connection herewith or procured, developed, produced, manufactured or fabricated by New Hope in connection herewith or procured, developed, produced, manufactured or fabricated by New Hope in connection with New Hope's performance hereunder (collectively, "Information"). New Hope shall exercise the same degree of care to prevent disclosure of any Information to others as it takes to preserve and safeguard its own proprietary information, but in any event, no less than a reasonable degree of care. New Hope shall not, without the prior written consent of UCBOE, reproduce any Information; nor disclose Information to any party; nor use any Information for any purpose other than performance for the benefit of New Hope hereunder. (b) Any technical knowledge or information of New Hope which New Hope shall have disclosed or may hereafter disclose to UCBOE in connection with the Goods or other performance covered by the Contract shall not, unless otherwise specifically agreed upon in writing by UCBOE, be deemed to be confidential or proprietary information and shall be acquired by UCBOE free from any restrictions as part of the consideration of the Contract.
 37. **Intellectual Property.** New Hope agrees, at its own expense, to indemnify, defend and save UCBOE harmless from all liability, loss or expense, including costs of settlement and attorney's fees, resulting from any claim that UCBOE's use, possession or sale of the Goods or Services infringes any copyright, patent or trademark or is a misappropriation of any trade secret.
 38. **No Pre-Judgment or Post-Judgment Interest.** In the event of any action by New Hope for breach of contract in connection with the Contract, any amount awarded shall not bear interest either before or after any judgment, and New Hope specifically waives any claim for interest.
 39. **Background Checks.** At the request of UCBOE's Project Coordinator, New Hope (if an individual) or any individual employees of New Hope shall submit to UCBOE criminal background check and drug testing procedures.



40. **Mediation.** If a dispute arises out of or relates to the Contract, or the breach of the Contract, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation.
41. **No Third Party Benefits.** The Contract shall not be considered by New Hope to create any benefits on behalf of any third party. New Hope shall include in all contracts, subcontracts or other agreements relating to the Contract an acknowledgment by the contracting parties that the Contract creates no third party benefits.
42. **Force Majeure.** If UCBOE is unable to perform its obligations or to accept the services or goods because of Force Majeure (as hereinafter defined), the time for such performance by UCBOE or acceptance of services will be equitably adjusted by allowing additional time for performance or acceptance of services equal to any periods of Force Majeure. "Force Majeure" shall mean any delays caused by acts of God, riot, war, terrorism, inclement weather, labor strikes, material shortages and other causes beyond the reasonable control of UCBOE.
43. **Ownership of Documents.** All documents created pursuant to the Contract shall, unless expressly provided otherwise in writing, be owned by UCBOE. Upon the termination or expiration of the Contract, any and all finished or unfinished documents and other materials produced by New Hope pursuant to the Contract shall, at the request of UCBOE, be turned over to UCBOE. Any technical knowledge or information of New Hope which New Hope shall have disclosed or may hereafter disclose to UCBOE shall not, unless otherwise specifically agreed upon in writing by UCBOE, be deemed to be confidential or proprietary information and shall be acquired by UCBOE free from any restrictions as part of the consideration of the Contract.
44. **Strict Compliance.** UCBOE may at any time insist upon strict compliance with these terms and conditions notwithstanding any previous course of dealing or course of performance between the parties to the contrary.
45. **General Provisions.** UCBOE's remedies as set forth herein are not exclusive. Any delay or omission in exercising any right hereunder, or any waiver of any single breach or default hereunder, shall not be deemed to be a waiver of such right or of any other right, breach, or default. If action be instituted by New Hope hereunder, UCBOE shall be entitled to recover costs and reasonable attorney's fees. New Hope may not assign, pledge, or in any manner encumber New Hope's rights under this Contract, or delegate the performance of any of its obligations hereunder, without UCBOE's prior, express written consent.
46. **Contract Situs.** All matters, whether sounding in contract or tort relating to the validity, construction, interpretation and enforcement of the Contract, will be determined in Union County, North Carolina. North Carolina law will govern the interpretation and construction of the Contract.
47. **Jessica Lunsford Act.** Contractors, subcontractors, consultants, sub-consultants, and vendors shall annually conduct a review of the State Sex Offender and Public Protection Registration Program, the State Sexually Violent Predator Registration Program, and the National Sex Offender Registry for all employees who will provide services under this contract. Any employee of the contractor, subcontractor, consultant, sub-consultant, or vendor found to be registered on any of the lists identified herein shall not perform any work under this contract and shall not be permitted to enter property owned by Union County Public Schools or Union County on behalf of Union County Public Schools. Failure to comply may result in legal action and termination of the contract for default.



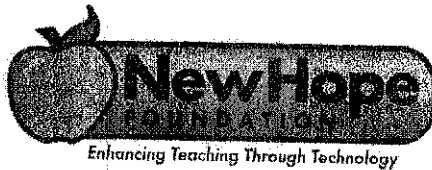
Attachment B

Confidentiality Agreement

New Hope Technology Foundation (New Hope) and on behalf of its employees hereby agree in the course of professional services work to be performed for Union County School District (District) that information and material belonging District may be needed by New Hope to carry out work to be performed by New Hope for District.

Both New Hope and District agree that all financial, statistical, or proprietary information provided by either Party, one to the other, or to the District will be kept confidential. New Hope agrees that any technical, or marketing information owned or used by the District and designated as proprietary under this Agreement shall not be used without the written consent of the District and the District agrees that any technical or marketing information owned or used by New Hope, including this Agreement, and designated as proprietary under this Agreement shall not used without the written consent of New Hope.

Further, in reference to confidential student information, if, during the course of New Hope's performance of services work and any subsequent contract, New Hope should obtain any information pertaining to the students' official records, New Hope agrees to keep any such information confidential and to not disclose or permit to be disclosed, directly or indirectly, to any person or entity any such student information. No agreement shall be construed by either party to constitute a waiver of or to in any manner diminish the provisions for confidentiality of students' records. Additionally, pursuant to N.C.G.S. 115C-401.1, Prohibition on the Disclosure of Information about Students, it is unlawful for a person who performs work or enters into a contract with a local board of education to sell personally identifiable information that is obtained from a student as a result of that person's performance under a contract.



ATTACHMENT C

SCOPE OF WORK

NEEDS ASSESMENT

- Review Technolgy Plan
- Review current technology infrastructure and support
- Review planned technology needs
- Insure consistency with Technology Plan
- Determine E-Rate eligible products
- Determine proper E-Rate discount for each school and District

BID PREPARATION, PUBLICATION, & AWARD

- Gather and review current telephone, internet and services billings, contracts, and service agreements
- Determine services/products to be bid consistent with Needs Assessment
- Develop technical specifications and other bid documents
- Insure that District has a proper funding decision matrix
- Prepare and publish both the FCC 470 and supporting bid documents
- Receive and review bids for compliance with E-Rate regulations
- Assist District with negotiation of contract for successful bidder(s)
- Insure that contracts are properly executed

SLD REQUEST FOR FUNDING

- Prepare and file FCC 471 application
- Prepare and file Form 21 Attachments to 471

RESPONSE TO SLD QUESTIONS

- Respond to Program Integrity Assurance (PIA), Selective Review, or other audit questions
- Insure timely response to the foregoing

FILING OF OTHER FCC FORMS

- File FCC 486 when service is scheduled to commence
- File Form 500 and BEAR forms

SLD PROCESS

- Insure compliance with all SLD rules and regulations
- Retain all files for Client for audit purposes. (Five-year record retention is mandatory.)
- Represent district in audits and selective reviews for prior eRate filing year

LEGAL CONSULTATION

- Work under direction of Client's legal counsel on regulatory issues.
- Monitor and keep Client advised of latest e-Rate, Federal Communications Commission issues, and rulings.